



H.G Markets (PVT) Limited
Corporate Member
PMEX (Pakistan Mercantile Exchange)

April 23, 2024



DAILY RESEARCH REPORT

Global Monetary Policies- Interest Rates



Federal Reserve Bank 5.50%



Bank of Canada 5.00%



Bank of England 5.25%



European Central Bank 4.50%



Swiss National Bank 1.50%



Bank of Japan 0.10%

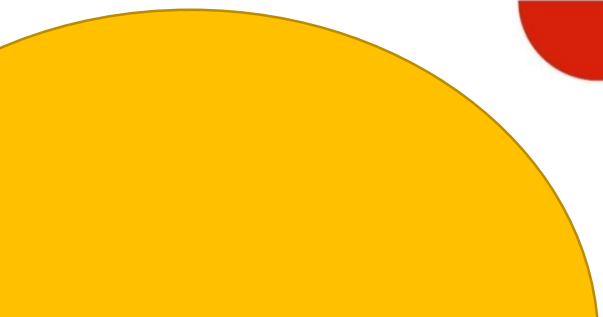


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➤ U.S INDICES

US stock futures eased on Tuesday after the major averages posted gains in the previous session, rebounding from their worst week of the year. In extended trading, Cadence Design Systems tumbled 6% after issuing weak second-quarter guidance, while Nucor dropped 7% on lower-than-expected first quarter earnings and revenue. In regular trading on Monday, the Dow rose 0.67%, the S&P 500 gained 0.87% and the Nasdaq Composite climbed 1.11%. Both S&P 500 and Nasdaq broke a six-day losing streak. All 11 S&P sectors advanced, led by technology, financials and utilities. Those moves came as investors bought the dip in key tech names such as Nvidia (4.4%), AMD (1.4%) and Amazon (1.5%). Meanwhile, Tesla fell 3.4% after announcing price cuts for its Model 3 in China. Investors were also encouraged by easing tensions in the Middle East and looked ahead to a busy week filled with corporate earnings reports and important economic data.

NASDAQ

Day High: 17446

Day Low: 17147

RESISTANCE 1

17400

RESISTANCE 2

17500

RESISTANCE 3

17600

SUPPORT 1

17250

SUPPORT 2

17150

SUPPORT 3

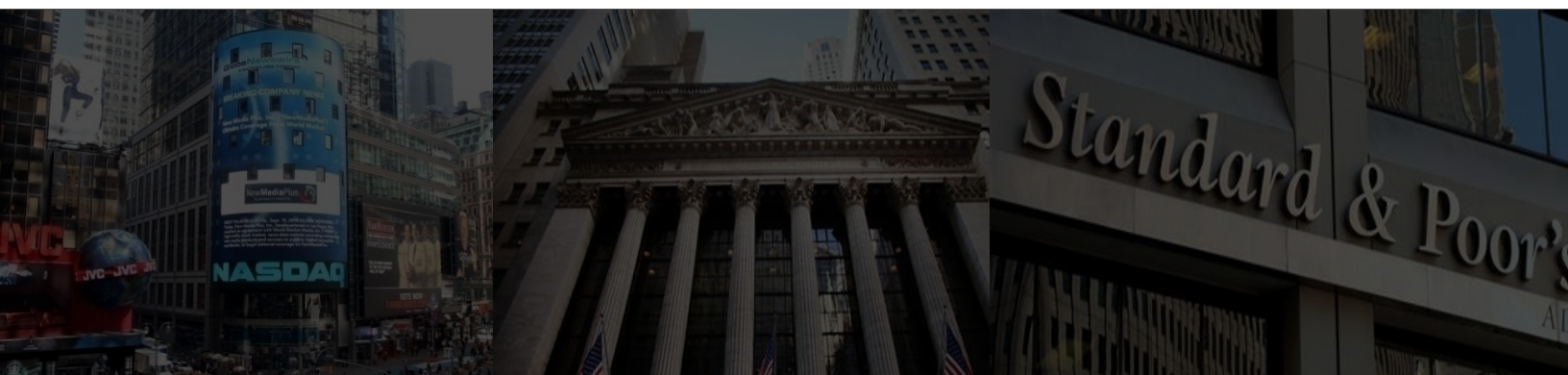
17000

CURRENT PRICE

17325

PIVOT

17308



➤ METALS

Gold steadied around \$2,300 per ounce on Tuesday, hovering at a near three-week low, as worries of a broader Middle East conflict subsided. Investors dialed down safe-haven investments towards riskier assets following Tehran's downplaying of Israel's retaliatory drone strike against Iran, aiming to de-escalate tensions. In addition, gold continued to be pressed down by assertive statements from several Federal Reserve officials. They have reiterated the possibility of maintaining elevated interest rates for an extended duration to bring inflation under control. Higher interest rates tend to diminish the appeal of non-interest-bearing assets such as gold. Investors are now anticipating the release of the US March's personal consumption expenditures data on Friday, which serves as the Fed's preferred inflation metric, to seek additional clarity on the direction of monetary policy. Silver dropped below \$27.5 per ounce, retreating from the three-year high of \$28.9 set on April 15th and tracking the decline in gold, as global risk aversion receded.

GOLD

Day High: 2403

Day Low: 2338

RESISTANCE 1

2330

RESISTANCE 2

2340

RESISTANCE 3

2350

SUPPORT 1

2315

SUPPORT 2

2300

SUPPORT 3

2285

CURRENT PRICE

2322

PIVOT

2371

SILVER

Day High: 28.78

Day Low: 27.14

RESISTANCE 1: 27.10

SUPPORT 1: 26.85

RESISTANCE 2: 27.30

SUPPORT 2: 26.70

RESISTANCE 3: 27.50

SUPPORT 3: 26.50

CURRENT PRICE: 26.98

PIVOT: 27.99

PLATINUM

Day High: 946

Day Low: 925

RESISTANCE 1: 930

SUPPORT 1: 910

RESISTANCE 2: 940

SUPPORT 2: 900

RESISTANCE 3: 955

SUPPORT 3: 880

CURRENT PRICE: 919

PIVOT: 937

➤ GOLD-GBP/USD

The British pound weakened towards \$1.23, reaching its lowest point since mid-November, as investors recalibrated their expectations regarding the timing of the first rate cut by the Bank of England following dovish comments from Deputy Governor Dave Ramsden. Ramsden suggested that the risk of British inflation remaining excessively high had diminished, and it could potentially fall below the BoE's most recent forecasts. This statement came shortly after Ramsden's colleague Megan Greene cautioned against the central bank considering interest rate cuts, citing recent data indicating elevated wage growth and services price inflation in Britain. Markets now anticipate the first reduction in borrowing costs occurring at the August meeting, compared to previously anticipated September, with the possibility of an even earlier adjustment as soon as June. Meanwhile, the US dollar retained its strength, supported by hawkish remarks from Federal Reserve officials.

GOLD-GBP/USD

Day High: 1.2390

Day Low: 1.2297

RESISTANCE 1

1.2360

RESISTANCE 2

1.2390

RESISTANCE 3

1.2430

SUPPORT 1

1.2310

SUPPORT 2

1.2290

SUPPORT 3

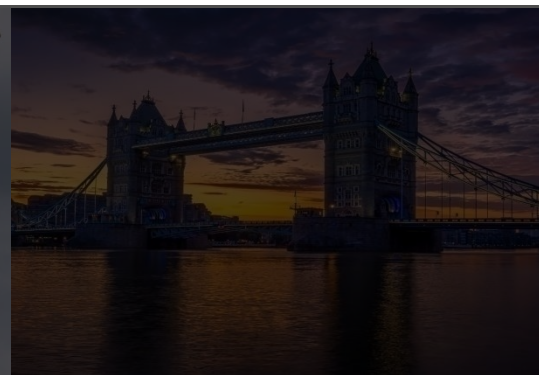
1.2250

CURRENT PRICE

1.2335

PIVOT

1.2352



➤ GOLD-EUR/USD

The euro traded around \$1.06, remaining close to its weakest level since early November, as investors awaited flash PMI figures from Europe's largest economies and a key inflation gauge from the US for further cues on the monetary policy trajectory from major central banks. Statements from ECB policymakers hinted at a willingness to initiate a reduction in borrowing costs as soon as June, with several officials suggesting the possibility of three rate cuts by the close of 2024. Nevertheless, market sentiment has shifted slightly, with decreased expectations for rate cuts by both the ECB and the Federal Reserve, due to persistent inflationary pressures and signs of economic resilience in the US.

GOLD-EUR/USD

Day High: 1.0669

Day Low: 1.0622

RESISTANCE 1

1.0670

RESISTANCE 2

1.0700

RESISTANCE 3

1.0740

SUPPORT 1

1.0610

SUPPORT 2

1.0570

SUPPORT 3

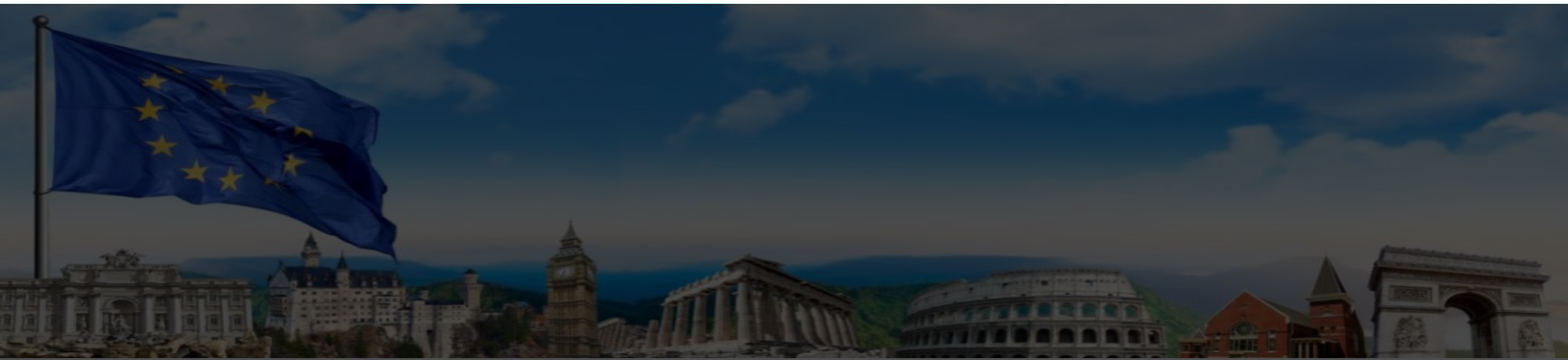
1.0535

CURRENT PRICE

1.0640

PIVOT

1.0650



➤ GOLD-USD/JPY

The Japanese yen weakened to around 154.8 per dollar, hitting new 34-year lows and prompting a top official to issue new warnings against excessive currency moves. Japan's Finance Minister Shunichi Suzuki said last week's trilateral meeting between the US, Japan and South Korea laid the groundwork for Tokyo to address extreme currency volatility, his strongest warning yet on a possible coordinated intervention. Investors will now focus on the Bank of Japan's policy decision this week, where it is expected to maintain current monetary settings. Meanwhile, BOJ Governor Kazuo Ueda said at the G20 summit last week that the central bank may raise interest rates again if the yen's weakness leads to sustained price increases through higher import costs. He added that the BOJ will show in its quarterly growth and price projections due at the upcoming policy meeting how the yen's depreciation has affected the economy.

GOLD-USD/JPY

Day High: 154.83

Day Low: 154.43

RESISTANCE 1

155.00

RESISTANCE 2

155.25

RESISTANCE 3

155.50

SUPPORT 1

154.50

SUPPORT 2

154.30

SUPPORT 3

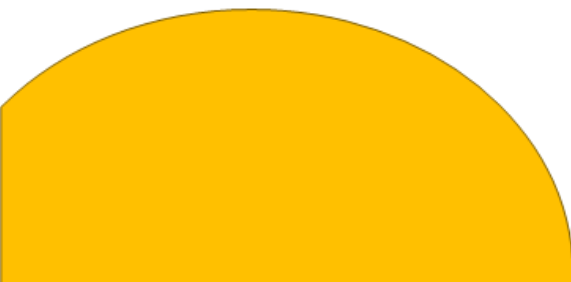
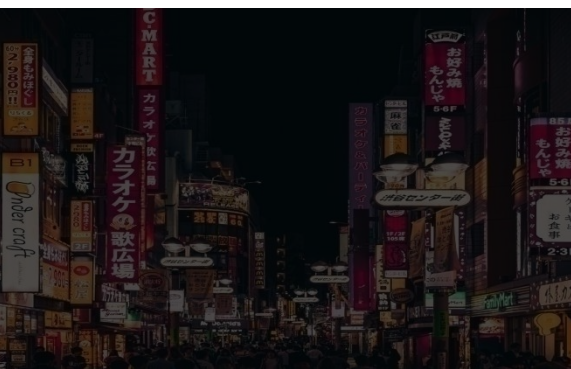
154.00

CURRENT PRICE

154.70

PIVOT

154.62



➤ CRUDE OIL

WTI crude futures rose above \$82 per barrel on Tuesday, reversing losses from the previous session as investors continued to assess geopolitical risks in the Middle East. On Monday, oil prices tumbled as the recent escalation of tensions between Iran and Israel did not lead to a wider conflict in the region that could impact oil supplies. Still, markets remained wary after the US approved new sanctions targeting Iran's oil sector, specifically aiming at shippers and refiners of Iranian crude oil. On the demand side, investors look forward to more US economic data this week to better guide the outlook for Federal Reserve monetary policy. Markets will also assess a raft of purchasing managers index reports from major economies this week that could provide clues on the overall demand outlook.

CRUDE OIL

Day High: 82.26

Day Low: 80.69

RESISTANCE 1

83.00

RESISTANCE 2

84.00

RESISTANCE 3

85.00

SUPPORT 1

81.00

SUPPORT 2

80.00

SUPPORT 3

78.00

CURRENT PRICE

82.00

PIVOT

81.67



➤ NATURAL GAS

US natural gas futures were trading around \$1.7/MMBtu, following two weeks of declines, as negative spot prices led to an oversupply of gas in storage. Many states, such as Texas, California, and Arizona, have seen power and gas prices fall below zero multiple times this spring, attributed to low demand, abundant renewable power sources, and pipeline maintenance causing gas to be trapped in Texas. Also, the latest EIA report showed US utilities injected 50 billion cubic feet (bcf) of gas into storage last week, pushing gas inventories to 36.4% above the seasonal average. Despite these challenges, US gas production has decreased by approximately 10% in 2024, as energy companies like EQT and Chesapeake Energy delayed well completions and reduced drilling activities. Additionally, natural gas entering US LNG export facilities, including Freeport, has been increasing after hitting a 15-month low of 9.2 bcf/d last week.

NATURAL GAS

Day High: 1.792

Day Low: 1.721

RESISTANCE 1

1.840

RESISTANCE 2

1.900

RESISTANCE 3

1.980

SUPPORT 1

1.750

SUPPORT 2

1.700

SUPPORT 3

1.650

CURRENT PRICE

1.784

PIVOT

1.766



Economic Calendar

Tue Apr 23	6:45pm	USD	Flash Manufacturing PMI	52.0	51.9
		USD	Flash Services PMI	52.0	51.7

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	17446	17147	17325	17903	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD	2403	2338	2322	2398	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
SILVER	28.78	27.14	26.98	28.59	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
PLATINUM	946	925	919	978	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD-GBP/USD	1.2390	1.2297	1.2335	1.2450	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
Gold-EUR/USD	1.0669	1.0622	1.0640	1.0626	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.

GOLD- USD/JPY	154.83	154.43	154.70	154.37	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
CRUDE OIL	82.26	80.69	82.00	85.47	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
NATURAL GAS	1.792	1.721	1.784	1.721	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.

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