



MARKETS

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

MAY 07, 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%

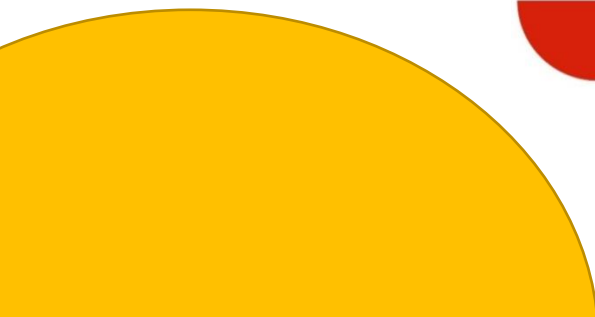


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➤ U.S INDICES

US stock futures held steady on Tuesday after the major averages kicked off the week on a positive note. In extended trading, Palantir Technologies tumbled more than 8% on weaker-than-expected full-year guidance, while Hims & Hers Health jumped 12% on strong second-quarter revenue guidance. In regular trading on Monday, the Dow rose 0.46% for its fourth straight winning day. The S&P 500 and Nasdaq Composite also gained 1.03% and 1.19%, respectively, extending their rally to a third day. Ten out of the 11 S&P sectors ended higher, led by technology, communication services and financials. Those gains were driven by positive sentiment following soft labor data and hopes for impending interest rate cuts by the Federal Reserve. New York Fed President John Williams stated that rate cut decisions will be based on incoming data, while Richmond Fed President Thomas Barkin expressed confidence that inflation will decline to 2% as the full effects of higher rates materialize.

NASDAQ

Day High: 18152

Day Low: 17982

RESISTANCE 1

18250

RESISTANCE 2

18350

RESISTANCE 3

18500

SUPPORT 1

18000

SUPPORT 2

17900

SUPPORT 3

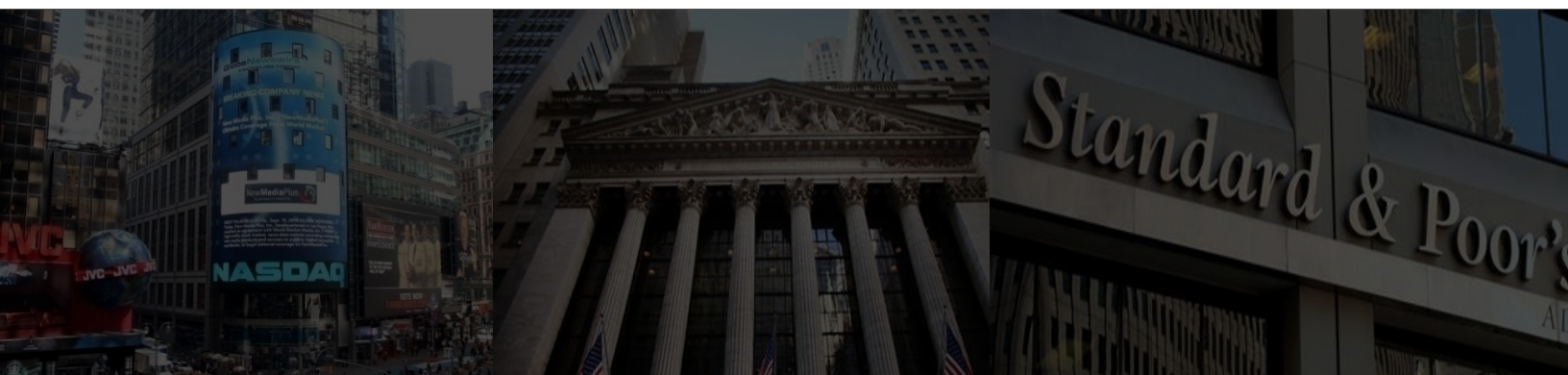
17800

CURRENT PRICE

18185

PIVOT

18081



➤ METALS

Gold prices climbed past \$2,320 per ounce on Tuesday, lifted by fresh hopes that the Fed will commence rate cuts this year, following weaker-than-expected US jobs growth. Moreover, comments from Fed officials overnight hinting at potential rate reductions later this year are bolstering gold prices, particularly after Fed Chair Powell's relatively dovish remarks last week. Markets now show a 64% chance of a rate cut in September, per CME's FedWatch Tool. Lower rates increase the appeal of holding non-yielding bullion. Meanwhile, investors are closely following developments in the Middle East conflict as Hamas accepted a Gaza ceasefire proposal, while Israel continued strikes in Rafah, citing dissatisfaction with the terms and intending to pursue further negotiations.

GOLD

Day High: 2341

Day Low: 2300

RESISTANCE 1

2335

RESISTANCE 2

2345

RESISTANCE 3

2370

SUPPORT 1

2320

SUPPORT 2

2310

SUPPORT 3

2300

CURRENT PRICE

2328

PIVOT

2321

SILVER

Day High: 27.69

Day Low: 26.65

RESISTANCE 1: 27.60

SUPPORT 1: 27.20

RESISTANCE 2: 27.80

SUPPORT 2: 27.00

RESISTANCE 3: 28.05

SUPPORT 3: 26.80

CURRENT PRICE: 27.46

PIVOT: 27.20

PLATINUM

Day High: 978

Day Low: 956

RESISTANCE 1: 975

SUPPORT 1: 960

RESISTANCE 2: 985

SUPPORT 2: 950

RESISTANCE 3: 1000

SUPPORT 3: 940

CURRENT PRICE: 969

PIVOT: 966

➤ GOLD-GBP/USD

The GBPUSD decreased 0.0006 or 0.05% to 1.2553 on Tuesday May 7 from 1.2559 in the previous trading session. Historically, the British Pound reached an all-time high of 2.86 in December of 1957. According to the ONS report, UK retail sales remained stagnant last month, following a significant 3.6% surge in January and contrasting market expectations of a 0.3% decline. Meanwhile, Governor Bailey noted positive indicators of decreasing inflation but emphasized the need for more certainty in managing price pressures. The Bank of England, with an 8-1 vote, maintained borrowing costs at a 16-year high of 5.25%, with two officials adjusting their previous stance advocating for higher rates. This decision followed recent data showing a decline in inflation to its lowest point in nearly two-and-a-half years, albeit remaining above the bank's target level.

GOLD-GBP/USD

Day High: 1.2592

Day Low: 1.2535

RESISTANCE 1

1.2550

RESISTANCE 2

1.2575

RESISTANCE 3

1.2600

SUPPORT 1

1.2510

SUPPORT 2

1.2470

SUPPORT 3

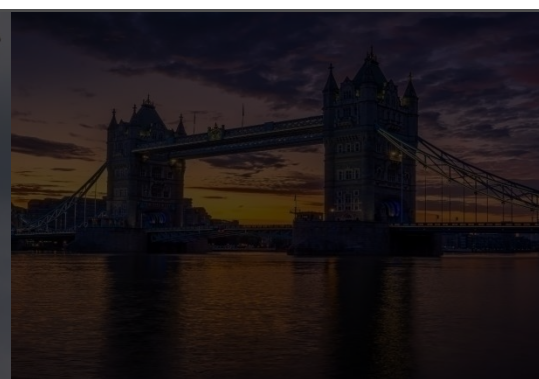
1.2420

CURRENT PRICE

1.2536

PIVOT

1.2557



➤ GOLD-EUR/USD

The EURUSD decreased 0.0001 or 0.01% to 1.0767 on Tuesday May 7 from 1.0767 in the previous trading session. Historically, the Euro US Dollar Exchange Rate - EUR/USD reached an all time high of 1.87 in July of 1973. The euro was only introduced as a currency on the first of January of 1999. However, synthetic historical prices going back much further can be modeled if we consider a weighted average of the previous currencies. Historically, the Euro US Dollar Exchange Rate - EUR/USD reached an all time high of 1.87 in July of 1973. The euro was only introduced as a currency on the first of January of 1999. However, synthetic historical prices going back much further can be modeled if we consider a weighted average of the previous currencies.

GOLD-EUR/USD

Day High: 1.0789

Day Low: 1.0752

RESISTANCE 1

1.0780

RESISTANCE 2

1.0820

RESISTANCE 3

1.0875

SUPPORT 1

1.0730

SUPPORT 2

1.0700

SUPPORT 3

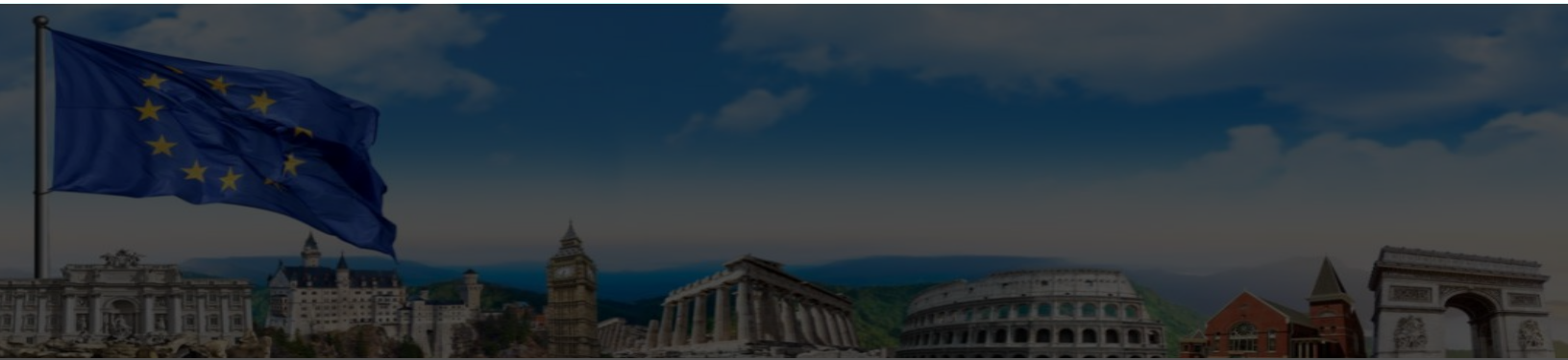
1.0660

CURRENT PRICE

1.0755

PIVOT

1.0769



➤ GOLD-USD/JPY

The Japanese yen depreciated again past 154 per dollar, giving back gains from last week even after top currency diplomat Masato Kanda said the government stands ready to combat disorderly, speculative-driven foreign exchange moves. Still, Kanda refused to confirm whether Japanese authorities were behind the suspected intervention last week when the yen bounced as much as 5.2% from low to high. Bank of Japan data suggested it spent nearly \$60 billion to defend the currency. Meanwhile, analysts argued that the move only bought Japanese authorities some time as market fundamentals remain bearish for the yen. US Treasury Secretary Janet Yellen also said over the weekend that interventions should be rare and consultations should take place, indicating a lack of coordination between Japan and the US on foreign exchange policy.

GOLD-USD/JPY

Day High: 153.99

Day Low: 152.76

RESISTANCE 1

154.75

RESISTANCE 2

154.25

RESISTANCE 3

155.00

SUPPORT 1

154.00

SUPPORT 2

153.50

SUPPORT 3

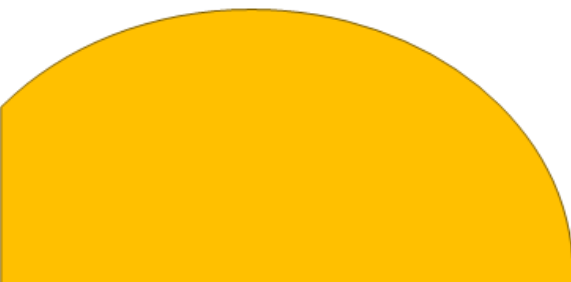
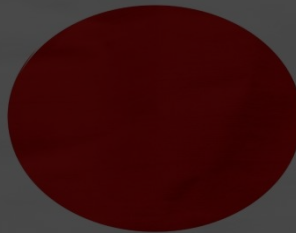
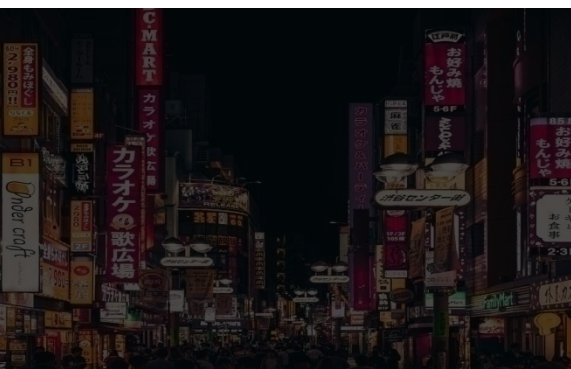
152.00

CURRENT PRICE

154.50

PIVOT

153.36



➤ CRUDE OIL

WTI crude futures rose toward \$79 per barrel on Tuesday, extending gains from the previous session as ceasefire talks between Israel and Hamas appeared to have stalled, with Israel pressing ahead with strikes in the southern Gaza city of Rafah. On Monday, Hamas agreed to a ceasefire proposal put forward by mediators, but Israel said the terms did not meet its demands. The ongoing conflict in the Middle East has supported oil prices amid fears that it could disrupt crude supplies from the region. On the demand side, Saudi Arabia raised the official selling prices for its crude sold to Asia, Northwest Europe and the Mediterranean in June on the back of a strong demand outlook this summer. Meanwhile, oil prices stayed close to two-month lows as investors remained hopeful that a peace resolution will be achieved in the Middle East, while robust US crude supplies continued to weigh on the market.

CRUDE OIL

Day High: 79.06

Day Low: 77.89

RESISTANCE 1

79.00

RESISTANCE 2

79.50

RESISTANCE 3

80.00

SUPPORT 1

78.00

SUPPORT 2

77.30

SUPPORT 3

75.00

CURRENT PRICE

78.59

PIVOT

78.44



➤ NATURAL GAS

US natural gas futures surged over 3.5% to \$2.2/MMBtu on Monday, hitting a nearly four-month high fueled by rising demand forecasts for the next two weeks, with feedgas levels to LNG export plants on the rise, notably with the reopening of Freeport LNG in Texas. Gas flow to Freeport reached a two-month peak of 1.4 bcf/d on Sunday, up from 1.2 bcf/d on Saturday and just 0.4 bcf/d in April. Additionally, prices were propped up by a 9% decrease in production in 2024 as companies like EQT and Chesapeake Energy postponed completions and scaled back drilling due to earlier price drops. Looking ahead, meteorologists anticipate a shift in weather patterns, transitioning from above-average temperatures from May 6-9 to near-normal conditions from May 10-17, before returning to warmer than usual temperatures from May 18-21.

NATURAL GAS

Day High: 2.259

Day Low: 2.130

RESISTANCE 1

2.200

RESISTANCE 2

2.250

RESISTANCE 3

2.300

SUPPORT 1

2.100

SUPPORT 2

2.050

SUPPORT 3

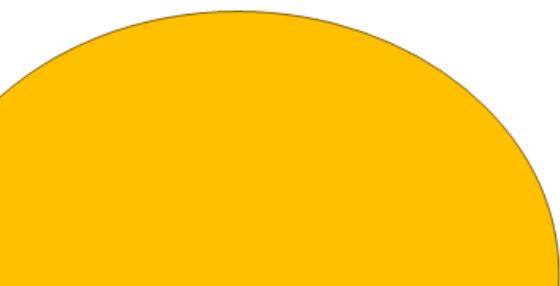
2.000

CURRENT PRICE

2.165

PIVOT

2.187



Economic Calendar

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	18152	17982	18185	18081	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	2341	2300	2328	2321	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	27.69	26.65	27.46	27.20	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	978	956	969	966	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	1.2592	1.2535	1.2536	1.2557	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	1.0789	1.0752	1.0755	1.0769	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	153.99	152.76	154.50	153.36	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES.

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CRUDE OIL	79.06	77.89	78.59	78.44	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	2.259	2.130	2.165	2.187	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.

DISCLAIMER

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