



July 25, 2024



# DAILY RESEARCH REPORT

# Global Monetary Policies- Interest Rates



**Federal Reserve Bank 5.50%**



**Bank of Canada 4.50%**



**Bank of England 5.25%**



**European Central Bank 4.25%**



**Swiss National Bank 1.25%**



**Bank of Japan 0.10%**

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## ➤ U.S INDICES

A tumble in the heavyweight stocks that have powered markets higher this year is highlighting Wall Street's vulnerability to any weakness in the Big Tech trade and causing concerns that over-stretched stocks are in for more turbulence.

Disappointing quarterly reports from Tesla (NASDAQ:TSLA) and Google-parent Alphabet (NASDAQ:GOOGL) sparked a crushing market selloff on Wednesday, with the tech-heavy Nasdaq Composite falling 3.6% in its worst day since October 2022. The benchmark S&P 500 slumped 2.3%, with the earnings reports causing concerns about upcoming results from the other big tech firms. The rout comes after optimism about artificial intelligence technology fueled a months-long rally in a handful of massive technology and growth companies including chipmaker Nvidia (NASDAQ:NVDA), Microsoft (NASDAQ:MSFT) and Amazon (NASDAQ:AMZN), pushing the S&P 500 to record highs this year.

### NASDAQ

Day High: 19996.25

Day Low: 19223.25

**RESISTANCE 1**

19315

**RESISTANCE 2**

19400

**RESISTANCE 3**

19480

**SUPPORT 1**

19155

**SUPPORT 2**

19075

**SUPPORT 3**

18995

**CURRENT PRICE**

19235

**PIVOT**

19610.50



## ➤ METALS

Gold price is licking its wound, having seen a dramatic fall to near \$2,370 in Asian trading after the \$2,400 threshold gave way. Gold sellers refuse to give up, anticipating the advance US second-quarter Gross Domestic Product data due later on Thursday. The bearish pressure around Gold price remains unabated, as markets resort to 'sell everything mode' amid intense risk-aversion, fuelled by mounting economic worries in China.

These rate cuts by Chinese banks leave markets unimpressed, as they sound more like alarm bells for more economic pain in the offing for China. Slowing Chinese economic growth could heavily impact physical demand for Gold, as China is the world's top yellow metal consumer.

Silver prices have shown a modest uptick, marking the second consecutive session of gains. This movement comes as traders eagerly await crucial U.S. economic data that could significantly influence the Federal Reserve's interest rate decisions. XAG/USD is finding support above the critical \$28.57 level, with nervous speculators attempting to establish a firm foundation. The slight dip in Treasury yields is providing additional support for silver prices. Investors are closely monitoring upcoming economic releases, including July's manufacturing and services PMI data, as well as June's new home sales figures.

### GOLD

Day High: 2432

Day Low: 2405

**RESISTANCE 1**  
2380

**RESISTANCE 2**  
2388

**RESISTANCE 3**  
2400

**SUPPORT 1**  
2365

**SUPPORT 2**  
2355

**SUPPORT 3**  
2345

**CURRENT PRICE**  
2374  
**PIVOT**  
2412

### SILVER

Day High: 29.61

Day Low: 29.14

**RESISTANCE 1:** 28.40      **SUPPORT 1:** 27.80

**RESISTANCE 2:** 28.70      **SUPPORT 2:** 27.50

**RESISTANCE 3:** 29.00      **SUPPORT 3:** 27.20

**CURRENT PRICE:** 28.10  
**PIVOT:** 29.31

### PLATINUM

Day High: 973

Day Low: 951

**RESISTANCE 1:** 955      **SUPPORT 1:** 945

**RESISTANCE 2:** 960      **SUPPORT 2:** 940

**RESISTANCE 3:** 965      **SUPPORT 3:** 935

**CURRENT PRICE:** 950  
**PIVOT:** 960

## ➤ GOLD-GBP/USD

GBP/USD continues to lose ground for the third successive session, trading around 1.2890 during the early European trading hours on Thursday. The analysis of the daily chart shows the pair consolidates within an ascending channel, signaling a bullish bias for the pair's price movements. The data from the UK showed that the S&P Global/CIPS Composite PMI improved to 52.7 in July's flash estimate from 52.3 in June, highlighting an ongoing expansion in the private sector's business activity at an accelerating pace. Despite the upbeat UK PMI data, the risk-averse market atmosphere doesn't allow GBP/USD to regain its traction. At the time of press, UK's FTSE 100 Index was down nearly 0.5% on the day and US stock index futures were losing between 0.5% and 0.9%.

### GOLD-GBP/USD

Day High: 1.2936

Day Low: 1.2875

#### RESISTANCE 1

1.2920

#### RESISTANCE 2

1.2950

#### RESISTANCE 3

1.2980

#### SUPPORT 1

1.2860

#### SUPPORT 2

1.2830

#### SUPPORT 3

1.2800

#### CURRENT PRICE

1.2890

#### PIVOT

1.2905



## ➤ GOLD-EUR/USD

The EUR/USD pair trades on a flat note around 1.0840 despite the decline of the Greenback during the early European session on Thursday. Traders prefer to wait on the sidelines ahead of the release of US key economic data. In that context, EUR/USD dropped to fresh lows near 1.0820, an area close to the critical 200-day SMA, although it later managed to stage an acceptable comeback and reach the 1.0850 zone amidst marginal gains in German 10-year bund yields. Extra weakness in the single currency also followed disheartening prints from advanced Manufacturing and Services PMIs in both Germany and the euro bloc for the month of July, showing business activity in the region appears to have met difficulties to rebound further.

### **GOLD-EUR/USD**

**Day High: 1.0865**

**Day Low: 1.0823**

#### **RESISTANCE 1**

**1.0870**

#### **RESISTANCE 2**

**1.0900**

#### **RESISTANCE 3**

**1.0930**

#### **SUPPORT 1**

**1.0840**

#### **SUPPORT 2**

**1.0810**

#### **SUPPORT 3**

**1.0780**

#### **CURRENT PRICE**

**1.0840**

#### **PIVOT**

**1.0843**





## ➤ GOLD-USD/JPY

The Japanese yen appreciated past 153 per dollar, reaching its highest levels in 12 weeks as market participant's unwound carry and short trades ahead of the Bank of Japan's policy meeting next week. The currency also benefited from safe-haven buying as risk assets such as growth stocks and commodities sold off on disappointing corporate earnings and a weakening global economic outlook. Meanwhile, markets remain divided on whether the BOJ would raise interest rates again next week, although it is widely expected to announce its bond purchase tapering plans amid efforts to unwind its massive monetary stimulus. Top Japanese officials have also been calling on the central bank to more clearly communicate its intention to normalize monetary settings. The yen's surge this month was initially triggered by what market participants attributed to government intervention, with BOJ data suggesting authorities may have bought nearly 6 trillion yen on July 11-12 via intervention.

### **GOLD-USD/JPY**

**Day High:** 155.98

**Day Low:** 153.09

#### **RESISTANCE 1**

153.20

#### **RESISTANCE 2**

153.80

#### **RESISTANCE 3**

154.30

#### **SUPPORT 1**

152.20

#### **SUPPORT 2**

151.70

#### **SUPPORT 3**

151.20

#### **CURRENT PRICE**

152.70

#### **PIVOT**

154.67





## ➤ CRUDE OIL

Oil prices eased on Thursday as concerns over weak demand in China, the world's largest crude importer, and expectations of a nearing ceasefire deal in the Middle East overcame gains in the previous session after draws in U.S. inventories. Both benchmarks settled higher on Wednesday, snapping consecutive sessions of declines after the Energy Information Administration said U.S. crude inventories fell by 3.7 million barrels last week. That compared with analysts' expectations in a Reuters poll for a 1.6-million-barrel draw. U.S. gasoline stocks dropped by 5.6 million barrels, compared with analysts' expectations for a 400,000 draw. Distillate stockpiles fell by 2.8 million barrels versus expectations for a 250,000-barrel increase, the EIA data showed. This year, China's oil imports and refinery runs have trended lower than in 2023 on weaker fuel demand amid sluggish economic growth, according to government data.

### CRUDE OIL

Day High: 78.17

Day Low: 76.95

#### RESISTANCE 1

77.80

#### RESISTANCE 2

78.50

#### RESISTANCE 3

79.20

#### SUPPORT 1

76.20

#### SUPPORT 2

75.60

#### SUPPORT 3

75.00

#### CURRENT PRICE

76.98

#### PIVOT

77.49



## ➤ NATURAL GAS

Natural gas prices declined by 2.93% to 182.3 due to forecasts predicting lower demand next week than previously expected, rising output, and ongoing oversupply issues. Despite smaller-than-usual injections into storage for nine of the past ten weeks, storage levels remain about 17% higher than average for this time of year. This is because several producers had cut output earlier in the year when futures prices plummeted to three-and-a-half-year lows in February and March. The US output hit a record high of 105.5 bcf/d in December 2023. Weather projections indicate that temperatures will remain near normal through July 28 before turning hotter than normal through at least August 8. Consequently, LSEG forecasts that average gas demand in the Lower 48, including exports, will rise from 105.2 bcf/d this week to 105.8 bcf/d next week. US utilities added 10 billion cubic feet of gas into storage during the week ending July 12, 2024, below market expectations of a 28 billion cubic feet increase.

### NATURAL GAS

Day High: 2.221

Day Low: 2.099

#### RESISTANCE 1

2.155

#### RESISTANCE 2

2.200

#### RESISTANCE 3

2.250

#### SUPPORT 1

2.065

#### SUPPORT 2

2.015

#### SUPPORT 3

1.965

#### CURRENT PRICE

2.115

#### PIVOT

2.156



Economic Calendar

Today: Jul 25						Up Next	Search Events	
Date	10:52am	Currency	Impact	Detail	Actual	Forecast	Previous	Graph
Thu Jul 25	5:30pm	USD	Advance GDP q/q			2.0%	1.4%	
		USD	Unemployment Claims			237K	243K	

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	19996.25	19223.25	19185	19610.50	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	2432	2405	2374	2412	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	29.61	29.14	28.17	29.31	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	973	951	948	960	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	1.2936	1.2875	1.2890	1.2905	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	1.0865	1.0823	1.0840	1.0843	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.
<b>GOLD- USD/JPY</b>	155.98	153.09	152.75	154.67	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.
<b>CRUDE OIL</b>	78.17	76.95	76.95	77.49	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.
<b>NATURAL GAS</b>	2.221	2.099	2.115	2.156	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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