



August 2, 2024



DAILY RESEARCH REPORT



Global Monetary Policies- Interest Rates



Federal Reserve Bank 5.50%



Bank of Canada 4.50%



Bank of England 5.00%



European Central Bank 4.25%



Swiss National Bank 1.25%



Bank of Japan 0.25%

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➤ U.S INDICES

U.S. stocks kicked off August sharply lower after a round of economic data on Thursday spurred concerns the economy may be slowing faster than anticipated while the Federal Reserve maintains a restrictive monetary policy. Equities initially opened higher, buoyed in part by gains in Meta Platforms (NASDAQ:META) after its quarterly results topped expectations and the Facebook parent issued an upbeat outlook for the third quarter. Its shares closed 5.87% higher as the biggest boost to the S&P 500. Early gains, however, evaporated after data showed a measure of manufacturing activity from the Institute for Supply Management (ISM) dropped to an eight-month low in July at 46.8, signifying contraction. The Dow Jones Industrial Average fell 495. points, or 1.21%, to 40,347, the S&P 500 lost 75.50 points, or 1.37%, to 5,446.50 and the Nasdaq Composite lost 405.25 points, or 2.30%, to 17,194.

NASDAQ

Day High: 19715

Day Low: 18867

RESISTANCE 1

18900

RESISTANCE 2

19059

RESISTANCE 3

19214

SUPPORT 1

18594

SUPPORT 2

18439

SUPPORT 3

18284

CURRENT PRICE

18749

PIVOT

19256



➤ METALS

Gold price (XAU/USD) edges higher to near \$2,450 per troy ounce during the Asian session on Friday. Traders await upcoming US labor market data, including the Nonfarm Payrolls and Average Hourly Earnings data for July. Recent manufacturing and employment data have raised concerns about the US economy, boosting risk aversion and supporting the safe-haven Gold.

The price of the yellow metal gained ground due to the dovish sentiment surrounding the Federal Reserve's (Fed) policy trajectory. Fed decided to keep rates unchanged in the 5.25%-5.50% range at its July meeting on Wednesday. Lower interest rates tend to increase the appeal of non-yielding assets like Gold.

GOLD

Day High: 2506

Day Low: 2474

RESISTANCE 1

2520

RESISTANCE 2

2533

RESISTANCE 3

2545

SUPPORT 1

2496

SUPPORT 2

2483

SUPPORT 3

2471

CURRENT PRICE

2508

PIVOT

2485

SILVER

Day High: 29.27

Day Low: 28.32

RESISTANCE 1: 29.29

SUPPORT 1: 28.71

RESISTANCE 2: 29.58

SUPPORT 2: 28.42

RESISTANCE 3: 29.87

SUPPORT 3: 28.13

CURRENT PRICE: 29.00

PIVOT: 28.75

PLATINUM

Day High: 988

Day Low: 966

RESISTANCE 1: 985

SUPPORT 1: 969

RESISTANCE 2: 993

SUPPORT 2: 961

RESISTANCE 3: 1000

SUPPORT 3: 953

CURRENT PRICE: 977

PIVOT: 977

➤ GOLD-GBP/USD

GBP/USD extends its losses following the Bank of England's (BoE) decision to deliver a broadly expected 25-basis point rate cut at its August meeting held on Thursday. The GBP/USD pair trades around 1.2720 during the Asian session on Friday. BoE Governor explained the decision to reduce the policy rate to 5% and addressed media questions. Bailey noted that the increase in the minimum wage has not been detrimental from their viewpoint. While firms often cite higher minimum wages as compressing pay scales, the overall inflation trajectory, including upside risks, is now closer to the 2% target compared to the median forecast.

GOLD-GBP/USD

Day High: 1.2862

Day Low: 1.2724

RESISTANCE 1

1.2749

RESISTANCE 2

1.2769

RESISTANCE 3

1.2788

SUPPORT 1

1.2711

SUPPORT 2

1.2691

SUPPORT 3

1.2672

CURRENT PRICE

1.2730

PIVOT

1.2791



➤ GOLD-EUR/USD

EUR/USD lost a foothold above key technical levels on Thursday, slumping below the 1.0800 handle after a miss in US Purchasing Managers Index (PMI) figures sparked fresh fears of worsening economic data signaling the possibility of a hard landing scenario in the US economy.

European economic data remains thin for what's left of the trading week, and next week sees little of note on the meaningful release side for the EU as broader markets pivot to fully face down Friday's US Nonfarm Payrolls (NFP) jobs report for July. Investors hope for a moderate drop to 175K new US jobs in July from 206K last month. Too high of a print could splash cold water on rate cut hopes for September, while too low of a figure would add further weight to concerns of a too-fast economic decline dragging the US economy into a recession.

GOLD-EUR/USD

Day High: 1.0833

Day Low: 1.0775

RESISTANCE 1

1.0813

RESISTANCE 2

1.0827

RESISTANCE 3

1.0841

SUPPORT 1

1.0785

SUPPORT 2

1.0771

SUPPORT 3

1.0757

CURRENT PRICE

1.0799

PIVOT

1.0804



➤ GOLD-USD/JPY

The USD/JPY pair trades inside Thursday's trading range below the psychological figure of 150.00 in Friday's late Asian session. The asset remains on the backfoot as Federal's Reserve's (Fed) expected dovish guidance on interest rates has dampened the US Dollar's appeal. Also, sheer strength in the Japanese Yen due to Bank of Japan's aggressive-than-expected policy-tightening has weighed on the major.

The market sentiment remains risk-off ahead of the release of the United States (US) Nonfarm Payrolls (NFP) data for July. Economists have estimated that 175K new workers were hired in July, lower than the former addition of 206K. The Unemployment Rate is expected to remain steady at 4.1%.

GOLD-USD/JPY

Day High: 150.87

Day Low: 148.49

RESISTANCE 1

149.61

RESISTANCE 2

150.27

RESISTANCE 3

150.93

SUPPORT 1

148.29

SUPPORT 2

147.63

SUPPORT 3

146.97

CURRENT PRICE

148.95

PIVOT

149.84



➤ CRUDE OIL

Oil prices rose on Friday but were set for a fourth successive weekly decline, as signs of disappointing global fuel demand growth outweighed fears of supply disruptions. Brent crude futures gained 62 cents, or 0.8%, to \$80.10 a barrel, while U.S. West Texas Intermediate crude futures rose 62 cents to \$76.90. Both benchmarks have declined about 7.3% over the last four weeks in the longest streak of consecutive weekly losses this year. Disappointing economic data from top oil importer China and a survey showing weaker manufacturing activity across Asia, Europe and the United States raised the risk of an underpowered global economic recovery that would weigh on oil consumption.

CRUDE OIL

Day High: 78.85

Day Low: 76.21

RESISTANCE 1

77.57

RESISTANCE 2

78.25

RESISTANCE 3

78.93

SUPPORT 1

76.21

SUPPORT 2

75.53

SUPPORT 3

74.85

CURRENT PRICE

76.89

PIVOT

77.43



➤ NATURAL GAS

Natural gas prices have been steadily declining for the past two months, dipping below the crucial \$2 per mmBtu mark. High inventories from a mild winter combined with robust production have outpaced current demand, driving prices lower. However, this downward trend may soon end. A potential slowdown in the broader mining and exploration sector could curtail production, while record temperatures anticipated for August could boost consumption.

From an export perspective, US natural gas supplies to Asian and European markets are expected to increase by 2025 with the launch of new LNG terminals: Plaquemines LNG, Corpus Christi Phase 3, and Golden Pass. Currently, the US holds a dominant position, supplying 48% of LNG to Europe. A relatively warm winter has boosted inventory levels in US storage facilities, easing supply pressures throughout 2024. Currently, working stocks of natural gas stand at 3,231 Bcf, 16% higher than the five-year average.

NATURAL GAS

Day High: 2.124

Day Low: 1.932

RESISTANCE 1

2.000

RESISTANCE 2

2.035

RESISTANCE 3

2.071

SUPPORT 1

1.927

SUPPORT 2

1.891

SUPPORT 3

1.855

CURRENT PRICE

1.963

PIVOT

2.026



ECONOMIC CALENDAR

Date	10:11am	Currency	Impact		Detail	Actual	Forecast	Previous	Graph
Fri Aug 2	5:30pm	USD		Average Hourly Earnings m/m			0.3%	0.3%	
		USD		Non-Farm Employment Change			176K	206K	
		USD		Unemployment Rate			4.1%	4.1%	

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	19715	18867	18749	19256	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	2506	2474	2508	2485	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	29.27	28.32	29.00	28.75	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	988	966	977	977	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	1.2862	1.2724	1.2730	1.2791	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	1.0833	1.0775	1.0799	1.0804	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	150.87	148.49	148.95	149.84	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	78.85	76.21	76.89	77.43	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	2.124	1.963	1.963	2.026	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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