

Fundamentals:

Gold prices on Thursday fell by as much as 2% to their lowest in about a week as the dollar advanced after the U.S. Federal Reserve said it will deliver more interest rate hikes next year.

Spot gold dropped 1.6% to \$1,777.88 per ounce, as of 1:46 p.m. ET (1846 GMT), having earlier slid to a low of \$1,771.89. U.S. gold futures settled 1.7% lower at \$1,787.80.

The Fed on Wednesday raised interest rates by 50 basis points as expected, but bullion fell as much as 0.8% after comments from Fed Chair Jerome Powell indicated that the U.S. central bank expected interest rates to stay higher for longer.

Bullion is often considered a hedge against big spikes in consumer prices, but interest rate hikes may curb inflationary pressures while also reducing the appeal of non-yielding gold.

The European Central Bank and the Bank of England also raised their key interest rates by half a percentage point on Thursday and indicated that more hikes were likely.

Making gold more expensive for other currency holders, the dollar rose 0.9%.

Elsewhere, silver dipped 3.4% to \$23.07 per ounce, platinum fell 2.8% to \$1,000.01 and palladium was down 7.4% at \$1,775.89.

Copper prices fell on Thursday as weak Chinese factory data and a U.S. Federal Reserve warning of further increases to interest rates fanned fears of weak demand.

Global stock markets also fell and the dollar strengthened, pressuring dollar-priced metals by making them costlier for buyers holding other currencies.

Weakening economic growth and rising interest rates dragged prices of the metal used in power and construction from a record high of \$10,845 a tonne in March to as low as \$6,955 in July.

Prices have since recovered somewhat as investors look ahead to economic recovery and the end of interest rate hikes, but demand remains weak.

Data showed that in China, the world's biggest metals consumer, the economy lost more momentum in November as factory output slowed and retail sales extended declines, both missing forecasts.

Some analysts also expect the easing of coronavirus restrictions to cause a huge and potentially disruptive increase in COVID-19 infections.

(Source: Reuters)

Contract	Close	Chg	High	Low
GOLD FEB 23	1,787.80	-31.800	1,819.70	1,782.00
SILVER MAR 23	23.305	-0.896	24.180	23.155
COPPER MAR 23	376.30	-10.40	386.75	375.70
PLATINUM JAN 23	1,013.20	-22.50	1,039.40	1,010.50
Gold Spot	1,776.910	-30.41	1,808.68	1,773.98
EuroDollar Rate	95.260	0.005	95.268	95.253
Dollar Index	104.647	0.877	104.879	103.541
Bursa Gold DEC 22	1,798.300	-26.60	1,809.8	1,795.3
SPDR Gold ETF	165.500	-2.750	166.21	165.1
iShares Gold ETF	33.720	-0.560	33.89	33.665

COT Speculative Net Position

Date	Gold	Silver	Copper
06/12/2022	115,125	19,208	1,679
29/11/2022	110,003	17,483	1,984
22/11/2022	116,113	16,766	3,104
15/11/2022	126,269	17,607	9,821
08/11/2022	82,338	13,003	2,913
01/11/2022	64,623	1,524	-7,484
25/10/2022	68,032	-101	-16,919
18/10/2022	76,956	1,267	-20,302
11/10/2022	94,420	7,389	-15,899
04/10/2022	88,385	8,708	-18,251
27/09/2022	52,081	758	-27,756

Global Gold Mines Output

Date	Kgs
30/09/2022	949
30/06/2022	892
31/03/2022	845
31/12/2021	938
30/09/2021	928
30/06/2021	874
31/03/2021	831
31/12/2020	926
30/09/2020	921
30/06/2020	789
31/03/2020	838

Global Gold Demand From Central Bank Net Purchases

Date	Tonnes
30/09/2022	399.27
30/06/2022	186.03
31/03/2022	87.71
31/12/2021	38.02
30/09/2021	90.56
30/06/2021	209.64
31/03/2021	115.61
31/12/2020	61.04
30/09/2020	-10.60
30/06/2020	63.74
31/03/2020	140.77

Gold Jewellery Consumption

Date	India (Kgs)	China (Kgs)
30/09/2022	146.22	163.38
30/06/2022	140.29	103
31/03/2022	94.20	177
31/12/2021	264.99	177
30/09/2021	125.09	156
30/06/2021	94.27	147
31/03/2021	126.52	194
31/12/2020	137.30	143
30/09/2020	60.80	119
30/06/2020	43.97	91
31/03/2020	73.86	61

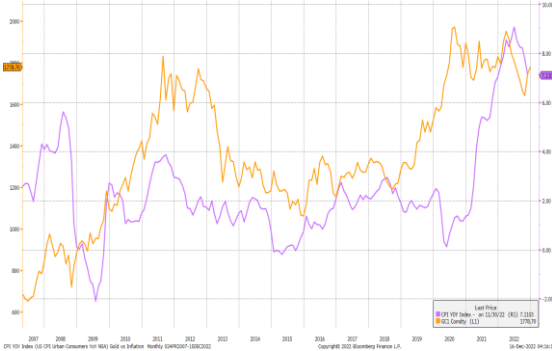
Gold Active Month vs Dollar Index



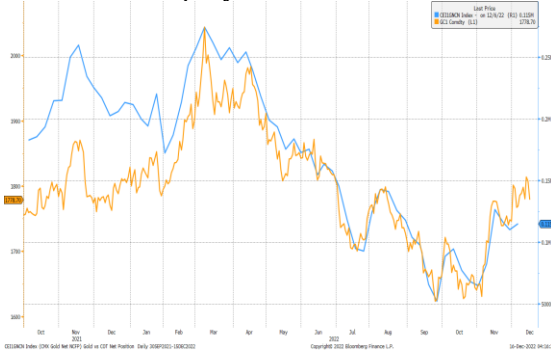
Gold Active Month vs U.S. 5 Years Note Yield



Gold Active Month vs U.S. YoY Inflation



Gold Active Month vs COT Money Managers Net Positions



Comex Gold Daily Chart



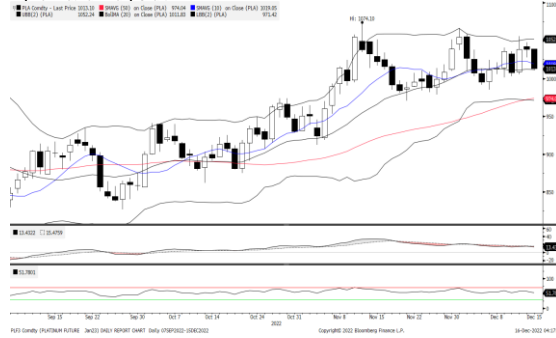
Comex Silver Daily Chart



Comex Copper Daily Chart



Nymex Platinum Daily Chart



Technical Analysis

Gold

1st Resistance: 1814.62 2nd Resistance: 1841.43
 1st Support: 1760.98 2nd Support: 1734.17
 MACD: 19.936
 MACD DIFF: -1.098
 RSI: 53.117

Silver

1st Resistance: 23.655 2nd Resistance: 24.004
 1st Support: 22.955 2nd Support: 22.606
 MACD: 0.784
 MACD DIFF: 0.076
 RSI: 59.404

Copper

1st Resistance: 381.94 2nd Resistance: 387.59
 1st Support: 370.66 2nd Support: 365.01
 MACD: 6.365
 MACD DIFF: -0.388
 RSI: 52.689

Platinum

1st Resistance: 1028.40 2nd Resistance: 1043.60
 1st Support: 998.00 2nd Support: 982.80
 MACD: 13.643
 MACD DIFF: -1.869
 RSI: 52.374

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Gold	1760.98	1778.59	1752.18		1734.17	1751.51	1725.50		1814.62	1796.47	1823.69		1841.43	1823.02	1850.64
Silver	22.955	23.1850	22.841		22.606	22.832	22.493		23.655	23.418	23.773		24.004	23.764	24.124
Copper	370.66	374.36	368.80		365.01	368.66	363.19		381.94	378.13	383.85		387.59	383.71	389.53
Platinum	998.00	1007.98	993.01		982.80	992.63	977.89		1028.398	1018.11402	1,033.54		1043.596	1033.16	1,048.81

Source: Bloomberg

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.