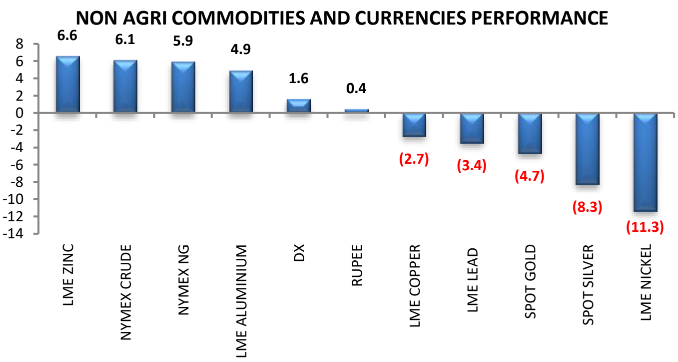

Source: Refinitiv

Gold

Gold prices have been influenced by various factors in recent weeks. Concerns about the Federal Reserve's approach to interest rates, alongside rising Treasury yields and a stronger U.S. dollar, have diminished gold++'s appeal as an investment. Despite some positive economic indicators and lower-than-expected jobless claims, gold prices have slipped below $1900. Investors are closely watching the Fed's stance on interest rates and upcoming economic data to determine the future direction of gold prices. The prospect of future rate hikes and a commitment to tighter monetary policy have also made gold less attractive as an inflation hedge. Rising Treasury yields and central bank meetings in major economies have further influenced gold's trajectory. However, the metal's resilience remains noteworthy, with its performance tied to a weaker dollar, subdued bond yields, and uncertainties surrounding the Fed's rate decisions. Future trends will depend on upcoming data releases and the Fed's approach to rate hikes.

We expect spot gold prices and MCX Gold prices to trade lower towards $1810/oz and Rs.55300/10gms respectively.

Base metals

Base metal prices, particularly zinc, showed an uptick driven by a decline in exchange stocks and the weakening U.S. dollar at the end of the week, making dollar-priced metals more attractive. Zinc inventories on the Shanghai Futures Exchange dropped by 30% in a week during China's holiday. In contrast, copper prices remained near a four-month low due to concerns about China's property market issues. The strengthening U.S. dollar made dollar-priced commodities less appealing, while rising copper stocks in LME-registered warehouses added to downward pressure. Weakening demand in China, coupled with growing inventories and a strong dollar, posed challenges for industrial metals, while concerns about potential U.S. rate hikes cap the upside in the metals.

We expect LME & MCX copper prices to trade lower towards $8040 per tonne and Rs.689 per kg respectively.

Oil

Crude oil prices have recently seen fluctuations driven by a combination of factors. While concerns about high interest rates impacting oil demand persist, Russia and Saudi Arabia's expected supply increases and profit-taking caused a slight dip. However, ongoing production cuts of 1.3 million barrels per day by these two nations under the OPEC+ agreement have kept the market tight. Positive demand forecasts, supported by recent economic data and stable factory activity in China, offer optimism. Oil prices also reached their highest levels in over a year due to a significant decline in U.S. crude inventories, tightening global supplies. Yet, worries about reduced fuel demand amid central banks' intentions to maintain higher interest rates have added to price fluctuations. Saudi Arabia's extension of a voluntary 1 million bpd oil cut and Russia's 300,000 bpd cut have further impacted the market.

We expect WTI and MCX oil prices to trade higher towards $92.45/barrel and Rs.7680/barrel respectively.

Trend deciding levels for Sep'23					
Commodity	**S1**	**S2**	**R1**	**R2**	**Trend**
MCX BULLDEX	14300	13700	15600	16300	Down
Gold Dec	55300	53400	59100	61000	Down
Spot Gold $	1810	1747	1940	2000	Down
Silver Dec	64000	59900	72200	76300	Down
Spot Silver $	20.568	19.25	23.203	24.6	Down
MCX METLDEX	16000	15800	16500	16800	Sideways
Copper Oct	689	669	728	748	Down
LME Copper	8040	7810	8500	8740	Down
MCX ENRGDEX	5900	5500	6710	7120	Sideways
Crude oil Oct	6060	5250	7680	8500	Up
Crude oil $	72.95	63.2	92.45	102.32	Up
N G Oct	220	170	320	380	Up
N G $	2.62	2.02	3.81	4.53	Up

Research Team- (022) 4000 3600 Extn: 6134/36/65/04