



Source: Reuters, Angel Commodities

Gold

The extended weakness in gold from the past few months continued to extend further, as the yellow metal concluded the August month marginally lower. Gold's monthly performance was a story of initial promise followed by challenges. It kicked off the month with a rise in prices, benefiting from a weaker U.S. dollar and Treasury yields amid economic uncertainty and the Federal Reserve's hawkish tone. However, optimism was short-lived as concerns mounted regarding a protracted rate hike cycle and a resurgent dollar, causing gold to lose its luster. The release of the Federal Reserve's meeting minutes only served to confirm expectations of higher interest rates, further eroding gold's appeal and adding to the downward pressure. Despite some marginal upward movement, gold ended the month with a marginally cut, highlighting its sensitivity to economic and monetary policy developments.

We expect spot gold prices and MCX Gold prices to trade lower towards \$1925/oz and Rs.58600/10gms respectively.

Base metals

In the past month, most metals concluded on a lower note, with the exception of Lead, which achieved modest gains. Copper and Zinc faced extended weakness. Despite an initial surge driven by optimism regarding Chinese stimulus measures initially boosted copper prices to a one-month high, concerns over weak manufacturing data in China tempered these gains. The influence of a softer U.S. dollar was noticeable but diminished as the dollar rebounded. July's copper rally, driven by China's economic initiatives, faced headwinds from discouraging PMI and construction data. Lingering doubts about the effectiveness of China's interventions, coupled with a stronger dollar, played a role in the base metals' performance, leading to varying trajectories

amid ongoing market uncertainties and global economic dynamics.

We expect LME & MCX copper prices to trade lower towards \$8230 per tonne and Rs.720 per kg respectively.

Oil

Crude prices after seeing an uptick in the previous month, extended the momentum in the August month, as prices concluded with nearly 3 percent gains. The up-move was driven by a mix of supply and demand factors. Initially, prices dipped but later rebounded as Saudi Arabia and Russia announced supply cuts for August. However, concerns over global economic sluggishness and potential interest rate hikes tempered these gains. OPEC+ supply tightening efforts were a key influence, outweighing headwinds like demand worries and central bank actions. Throughout the month, oil prices were marked by volatility, with supply constraints and economic uncertainties playing a pivotal role in shaping market sentiment.

We expect WTI and MCX oil prices to trade higher towards \$92.75/barrel and Rs.7620/barrel respectively.

Trend deciding levels for Sep'23					
Commodity	S1	S2	R1	R2	Trend
MCX BULLDEX	15400	15100	16100	16500	Down
Gold Oct	58600	57700	60500	61500	Down
Spot Gold \$	1925	1896	1990	2030	Down
Silver Dec	70000	67400	75200	77900	Down
Spot Silver \$	23.105	22.246	24.821	25.8	Down
MCX METLDEX	15700	15500	16200	16500	Sideways
Copper Sep	720	702	754	771	Down
LME Copper	8230	8030	8620	8820	Down
MCX ENRGDEX	6220	6020	6620	6830	Sideways
Crude oil Oct	6810	6410	7620	8030	Up
Crude oil \$	82.89	78.02	92.75	97.74	Up
N G Sep	180	160	230	260	Sideways
N G \$	2.15	1.91	2.75	3.11	Sideways

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