

Fundamentals:

Gold and silver futures settled sharply higher on Tuesday as the U.S. dollar slipped. Copper also jumped on hopes that China lifting COVID-19 restrictions to reopen its economy will boost demand of industrial metals and support the country's real-estate sector.

Gold prices jumped to their highest level in six months on Tuesday, as hopes surrounding decisions by the yellow metal's top consumer China to further dismantles COVID-19 restrictions and reopens its borders weighed on the dollar.

China will no longer subject inbound travelers to quarantine from early January, adding to the rapid rollback of strict pandemic rules and boosting sentiment toward Asia's biggest economy.

Markets are also digesting US data on Friday that pointed to softer inflation and slower consumer spending, which could ease pressure on the Federal Reserve for more rate hikes.

Gold has gained more than 8% this quarter, helped by the greenback's retreat and hopes that the Fed will slow aggressive monetary tightening.

The dollar index edged lower and benchmark 10-year yields held close to their highest levels in over a month.

Gold has gained nearly \$200 after falling to a more than two-year low in late September, as expectations about slower interest rate hikes from the Fed dimmed the dollar's allure and lowered the opportunity cost of holding bullion, which pays no interest.

Top gold consumer China relaxed quarantine rules, in a major step toward easing curbs on its borders, which have been largely shut since 2020.

Gold remains poised just under multimonth highs, and if the contrarian idea of a weaker dollar in 2023 comes to fruition (and there's reason to believe it will) then gold will have a positive catalyst behind it as we start the new year.

Separately, copper prices rose on Tuesday after China further relaxed its COVID-19 curbs, raising hopes of a recovery in the country's embattled property sector.

Palladium is expected to be the stronger of the two metals (platinum and palladium) almost specifically due to supply constraints.

(Source: Reuters, Bloomberg)

Contract	Close	Chg	High	Low
GOLD FEB 23	1,823.10	18.300	1,841.90	1,808.00
SILVER MAR 23	24.217	0.350	24.495	23.975
COPPER MAR 23	384.05	3.85	394.15	383.20
PLATINUM APR 23	1,032.70	-0.70	1,047.60	1,014.00
Gold Spot	1,812.980	14.78	1,833.30	1,800.71
EuroDollar Rate	94.900	-0.045	94.950	94.885
Dollar Index	104.195	-0.119	104.399	103.887
Bursa Gold DEC 22	1,809.200	12.50	1808.8	1803.3
SPDR Gold ETF	168.830	1.570	170.61	167.8
iShares Gold ETF	34.430	0.320	34.78	34.21

COT Speculative Net Position

Date	Gold	Silver	Copper
20/12/2022	128,848	29,762	775
13/12/2022	125,649	22,819	2,556
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

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

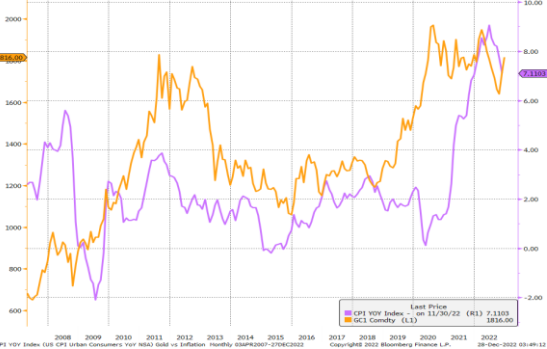
Gold Jewellery Consumption

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

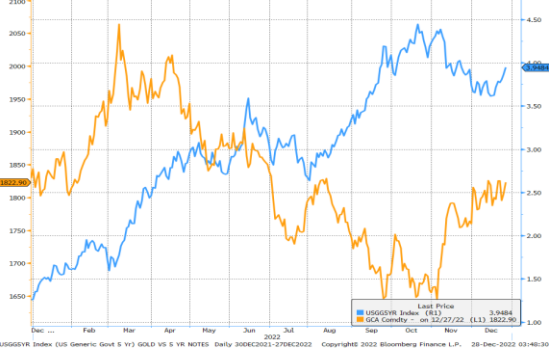
Gold Active Month vs Dollar Index



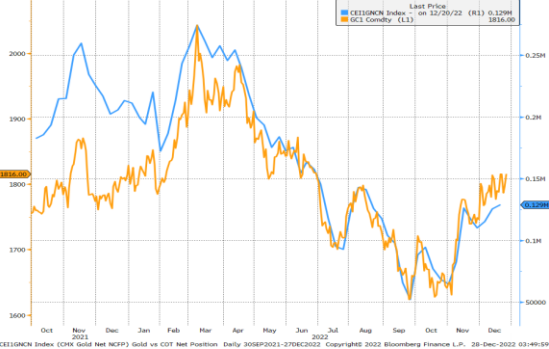
Gold Active Month vs U.S. YoY Inflation



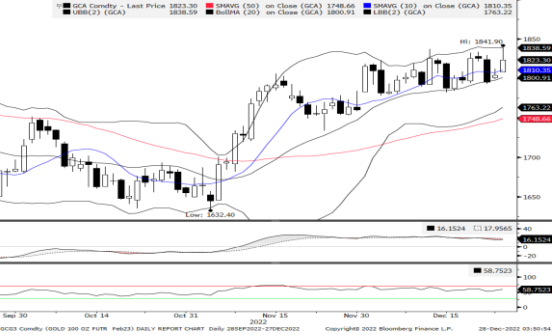
Gold Active Month vs U.S. 5 Years Note Yield



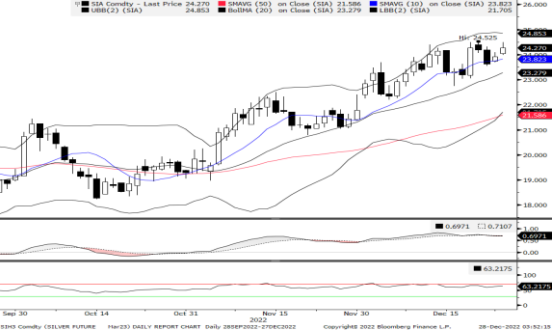
Gold Active Month vs COT Money Managers Net Positions



Comex Gold Daily Chart



Comex Silver Daily Chart



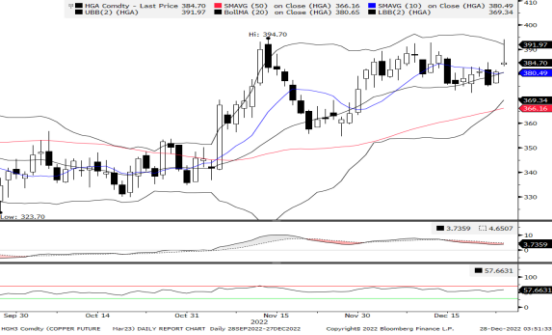
Technical Analysis

Gold				Silver			
1st Resistance:	1850.45	2nd Resistance:	1877.79	1st Resistance:	24.580	2nd Resistance:	24.944
1st Support:	1795.75	2nd Support:	1768.41	1st Support:	23.854	2nd Support:	23.490
MACD:	16.085			MACD:	0.696		
MACD DIFF:	-1.843			MACD DIFF:	-0.014		
RSI:	58.625			RSI:	63.177		

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Gold	1795.75	1813.71	1786.77		1768.41	1786.09	1759.56		1850.45	1831.94	1859.70		1877.79	1859.02	1887.18
Silver	23.854	24.0923	23.734		23.490	23.725	23.373		24.580	24.334	24.703		24.944	24.694	25.068
Copper	378.29	382.07	376.40		372.53	376.25	370.67		389.81	385.91	391.76		395.57	391.62	397.55
Platinum	1017.21	1027.38	1012.12		1001.72	1011.74	996.71		1048.1905	1037.708595	1,053.43		1063.681	1053.0442	1,069.00

Comex Copper Daily Chart



Nymex Platinum Daily Chart



Copper				Platinum			
1st Resistance:	389.81	2nd Resistance:	395.57	1st Resistance:	1048.19	2nd Resistance:	1063.68
1st Support:	378.29	2nd Support:	372.53	1st Support:	1017.21	2nd Support:	1001.72
MACD:	3.730			MACD:	7.352		
MACD DIFF:	-0.912			MACD DIFF:	-2.019		
RSI:	57.647			RSI:	55.048		

Source: Bloomberg

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