

Fundamentals:
Gold prices on Tuesday fell from a more than eight-month peak hit in the previous session on hopes that the U.S. Federal Reserve would adopt a less aggressive approach to rate hikes going forward.
Spot gold fell 0.7% to \$1,904.87 per ounce by 1:42 p.m. ET (1842 GMT), after hitting its highest since the end of April on Monday. U.S. gold futures settled down 0.6% at \$1,909.9.
The U.S. dollar index rose 0.2%. A stronger dollar makes gold more expensive for other currency holders.
With lower rates translating into lesser returns on interest-bearing assets such as government bonds, investors may prefer zero-yield gold.
Traders expect 90.6% odds of a 25-basis point rate hike from the Fed in February and see rates peaking at 4.94% in June, while most Fed officials see rates landing north of 5% into the next year.
Citigroup Chief Executive Officer Jane Fraser said in an interview with CNBC that the U.S. Federal Reserve could slow rate hikes in late spring or early summer.

Meanwhile, China saw economic growth slumping in 2022, but officials at the World Economic Forum said the country's reopening could drive global growth beyond expectations.

Gold buying in China normally picks up ahead of the Lunar New Year holidays, which run from Jan. 21.

Elsewhere, spot silver slipped 2.1% to \$23.88 per ounce, platinum dropped 2.2% to \$1,038.79 and palladium was down 0.6% to \$1,741.00.

Copper surged to the highest since June as the dollar reversed early gains, with traders assessing demand prospects ahead of the Lunar New Year and after China signaled its recovery could be bumpy.

A gauge of the greenback was lower amid US bank earnings reports, helping lift commodities such as copper. China's economy expanded 3% last year, the second-slowest pace since the 1970s, although the latest growth readings were better than economists expected. Still, the economy is facing a challenging recovery after years of stringent Covid restrictions.

Copper had climbed with other metals since late last year, hitting a seven-month high last week, as China's reopening and expectations of slower US interest-rate hikes brightened the outlook for base metals. The move has left bearish investors facing "severe pressure" on about \$3 billion of short positions established around the middle of last year, Citigroup Inc. said in a note.

Weaker physical demand signals for copper could undermine bullish sentiment, Bloomberg Intelligence analysts Grant Sporre and Alon Olsha wrote in a note. They said copper may pull back closer to \$8,000 a ton if consumption doesn't improve after China returns from the Lunar New Year break.

Copper rose 2% to settle at \$9,287 a metric ton at 6:01 p.m. on the London Metal Exchange, the highest closing since June 13.

(Source: Reuters, Bloomberg)

Gold Active Month vs Dollar Index



Contract	Close	Chg	High	Low
GOLD FEB 23	1,909.90	-11.000	1,931.80	1,906.20
SILVER MAR 23	24.068	-0.307	24.670	23.975
COPPER MAR 23	422.30	1.85	424.45	411.05
PLATINUM APR 23	1,046.90	-25.50	1,082.10	1,044.10
Gold Spot	1,908.260	-7.76	1,919.11	1,903.85
EuroDollar Rate	94.965	0.005	94.980	94.950
Dollar Index	102.382	0.178	102.556	101.937
Bursa Gold JAN 23	1,910.500	-6.70	1912.2	1911.6
SPDR Gold ETF	177.590	-1.170	178.24	177.09
iShares Gold ETF	36.210	-0.240	36.36	36.11

COT Speculative Net Position

Date	Gold	Silver	Copper
10/01/2023	150,535	29,013	10,227
03/01/2023	141,666	30,934	-4,675
27/12/2022	136,890	31,027	724
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

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

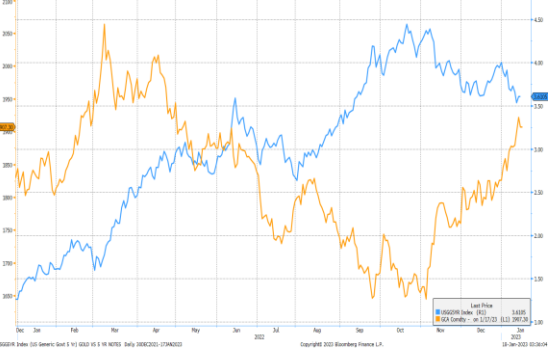
Global Gold Demand From Central Bank Net Purchases

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

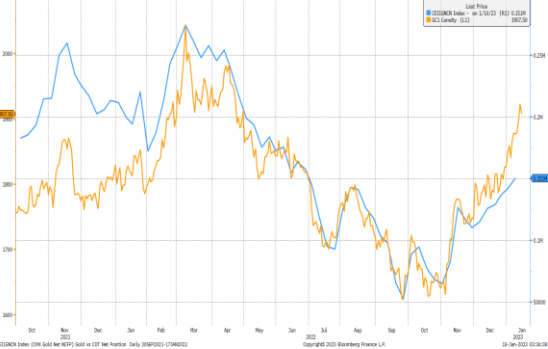
Gold Jewellery Consumption

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

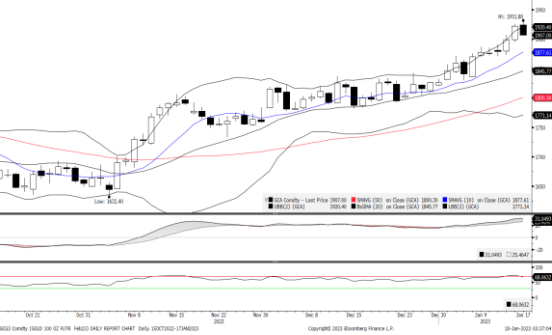
Gold Active Month vs U.S. 5 Years Note Yield



Gold Active Month vs COT Money Managers Net Positions



Comex Gold Daily Chart



Comex Silver Daily Chart



Technical Analysis

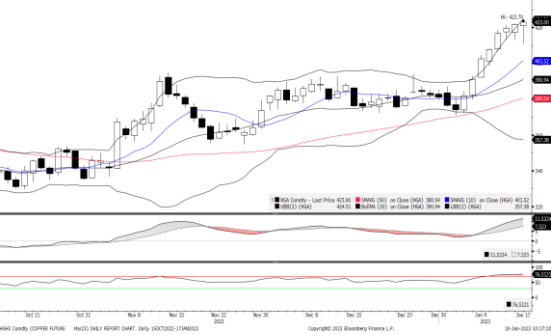
Gold

1st Resistance:	1938.55	2nd Resistance:	1967.20
1st Support:	1881.25	2nd Support:	1852.60
MACD:	31.347		
MACD DIFF:	5.819		
RSI:	69.374		

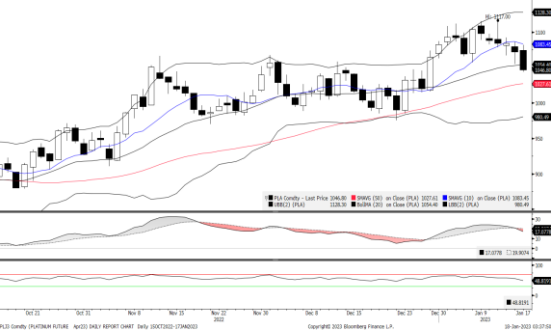
Silver

1st Resistance:	24.429	2nd Resistance:	24.790
1st Support:	23.707	2nd Support:	23.346
MACD:	0.340		
MACD DIFF:	-0.077		
RSI:	55.660		

Comex Copper Daily Chart



Nymex Platinum Daily Chart



Copper

1st Resistance:	428.63	2nd Resistance:	434.97
1st Support:	415.97	2nd Support:	409.63
MACD:	11.559		
MACD DIFF:	4.028		
RSI:	76.674		

Platinum

1st Resistance:	1062.60	2nd Resistance:	1078.31
1st Support:	1031.20	2nd Support:	1015.49
MACD:	17.100		
MACD DIFF:	-2.820		
RSI:	48.868		

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Gold	1881.25	1900.06	1871.85		1852.60	1871.13	1843.34		1938.55	1919.16	1948.24		1967.20	1947.53	1977.03
Silver	23.707	23.9440	23.588		23.346	23.579	23.229		24.429	24.185	24.551		24.790	24.542	24.914
Copper	415.97	420.13	413.89		409.63	413.73	407.58		428.63	424.35	430.78		434.97	430.62	437.14
Platinum	1031.20	1041.51	1026.04		1015.49	1025.65	1,010.42		1062.6035	1051.977465	1,067.92		1078.307	1067.5239	1,083.70

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.