

GOLD**Market Outlook and Fundamental Analysis:**

Bullion register first monthly gain after 7-consecutive monthly decline in November thanks to Dollar index which fall from multi decade high and after signals from US FED which indicates less rate hike spree than previously expected and cycle likely to peak sooner than expected resulted in fall in treasury yield as well dollar and attract safe haven assets like Gold which fall sharply in last few months. Lower interest rates tend to improve gold's appeal as it reduces the opportunity cost of holding the non-yielding bullion. Spot gold gain 8.5% to hit fresh 10-week high and silver register 3rd straight monthly gain of more than 16% in November. During the month Gold and silver hit its highest since Aug and may this year and Dollar index drop to 4-month low. Gold is known as a safe investment during economic and geo-political crisis, but a high-interest rate environment makes the non-yielding asset less attractive to investors. Gold prices posted their biggest weekly percentage gain since March 2020 in the first week of November after signs cooling U.S. inflation lifted hopes that the Fed could be less hawkish on rate hikes.

On the technical front, gold is trading above its 50-day, 100-day and 200-day moving averages, which is considered a bullish signal and this likely to attract more hedge funds & investors which benefit on its prices at every dip. While gold has shed 15% since its March peak after the Fed began tightening monetary policy, it has gained about 7% since the beginning of November as markets started pricing in a slower pace of rate hikes.

US Nonfarm payrolls, a gauge to interest rates decision, shows U.S. employers hired more workers than expected in November and raised wages despite mounting worries of a recession, as Nonfarm payrolls increased by 263,000 jobs last month against economists polled by Reuters had forecast payrolls increasing 200,000. Data for October was revised higher to show payrolls rising 284,000 instead of 261,000 as previously reported. The unemployment rate was unchanged at 3.7%. Average hourly earnings increased 0.6% after advancing 0.5% in October. That raised the annual increase in wages to 5.1% from 4.9% in October. Wages peaked at 5.6% in March. U.S. private payrolls increased far less than expected in November, suggesting demand for labor was cooling amid high interest rates, as Private employment increased by 127,000 jobs in November, the ADP National Employment report showed. Data for October was unrevised to show 239,000 jobs created. Economists polled by Reuters had forecast private jobs increasing 200,000.

Fed Chair Jerome Powell said the U.S. central bank could scale back the pace of its rate increases "as soon as December." Fed officials meet on Dec. 13 and 14. The Fed has raised

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its policy rate by 375 basis points this year from near zero to a 3.75%-4.00% range in the fastest rate-hiking cycle since the 1980s as it battles high inflation.

In October, available data shows central banks added a further net 31t of gold to international reserves (-41% m-o-m). This helps lift global official gold reserves to its highest level since November 1974 (36,782t). China's central bank said it had added 32 tonnes of gold worth around \$1.8 billion to its reserves, the first time it has disclosed an increase since September 2019. The additions bring China's reported holdings at the end of November to 1,980 tonnes, worth around \$112 billion. China has the world's sixth-largest official national gold reserves after countries including Russia, Germany and the United States, which is the biggest with 8,133.5 tonnes. The World Gold Council (WGC) said last month that central banks globally bought 399 tonnes of gold in the third quarter of 2022, by far the most ever in a single three-month period. It said much of that gold was bought by central banks that did not publicly report purchases, fuelling speculation that countries like China or Russia may be stockpiling.

Global factory output fell widely last month with U.S. manufacturing activity contracting for the first time in 2-1/2 years and the impact of China's COVID-19 lockdowns weighing, although the downturn eased in Europe, surveys showed. A sign of slower recession which benefits gold over a longer period of time as a safe haven of investment.

On data side, US PCE price index rose 0.3 after advancing by the same margin in September. In the 12 months through October, the PCE price index increased 6.0% after advancing 6.3% in September. The U.S. economy rebounded more strongly than initially thought in the third quarter, as GDP increased at a 2.9% annualized rate in its second estimate of third-quarter GDP. That was revised up from the 2.6% pace reported last month. The economy had contracted at a 0.6% rate in the second quarter. Economists polled by Reuters had forecast GDP growth would be raised to a 2.7% rate. The U.S. trade deficit in goods widened sharply in October as exports declined amid slowing global demand and a strong dollar. The goods trade deficit surged 7.7% to \$99.0 billion last month, the Commerce Department said on Wednesday. Exports of goods dropped 2.6% to \$173.7 billion. Surging household energy bills and food prices pushed UK inflation to a 41-year high, as CPI rose 11.1% in the 12 months to October, the most since October 1981 and a big jump from 10.1% in September. Inflation would have risen to around 13.8% in October.

On domestic Data update, factory activity expanded at its fastest pace in three months in November, a private survey showed. India reported GDP of 6.3% in its July-September quarter, less than half the 13.5% growth in the previous three months as distortions caused by COVID-19 lockdowns faded in Asia's third-largest economy. Gross domestic product growth for the full fiscal year, which ends on March 31, is likely to be 6.8-7%, the government's chief economic advisor said after the release. India's infrastructure output

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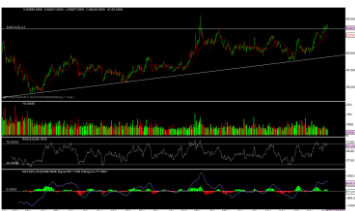
expanded 0.1% year-on-year in October and rose 8.2% in the April-October, the data showed.

Separately, China's net gold imports in October via Hong Kong fell 45% from the previous month, Hong Kong Census and Statistics Department data showed. Swiss gold exports to China and Turkey remained strong in October while shipments to India fell, Swiss customs data showed

Going ahead, there is lots of uncertainty in global market start from geopolitical tension between western countries & Russia, US FED tapering and interest rates seen increasing, higher inflation worldwide and currency movement. All this resulted in volatile bullion prices and unless there is clarity on above major issue, bullion likely to get support at every dip. In nutshell, Gold, however, is being supported by the Ukraine uncertainty, rapid inflation, and the still persistent COVID-19 pandemic but the Fed's aggressive stance to combat inflation, recovering bond yields, stronger dollar and easing of pandemic restrictions on higher vaccination rates will put a lid on gold prices.

Technical Outlook:

On the Daily Chart MCX:



In COMEX GOLD is trading at \$1787

Expected support and Resistance level for the month

Gold	S1	S2	R1	R2
COMEX/DG CX (\$)	1760	1725	1810	1850
MCX (Rs.)	53400	52400	54300	55500

Mcx Trend seen Bullish as long S1 hold downside, while Sustain close below 54300 seen prices towards R2.

SILVER

Technical Outlook:

On the Daily Chart MCX:



Expected support and Resistance level for the month

Silver	S1	S2	R1	R2
COMEX/DG CX (\$)	22	20.50	23.60	26.10
MCX (Rs.)	65000	62700	67400	69000

MCX trend seen Bullish as long hold S1, While Sustain above 67400 seen Sharp Rally towards R2.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex register a 5th monthly fall out of last 6-months as top importer & 2nd largest consumer China seen under lockdown which hurt demand for Crude oil added by recession fear and fading of Geopolitical premium over prices makes fall in Crude oil. Benchmark Brent and WTI lost almost 6% in the month of November. However, output cut by OPEC+ and supply disturbance support prices at lower level. On last week of the month, WTI fall to lowest since Dec 2021 and Brent lowest since Jan 2022.

In its latest meet, the OPEC+ alliance decided to maintain production at current levels, pausing to take stock of a global oil market that's roiled by uncertainty over Chinese demand and Russian supply. The 23-nation group, which held a roughly 20-minute online meeting, has only just started implementing the hefty 2 million barrel-a-day reduction agreed at its last gathering in October. The Organization of Petroleum Exporting Countries and its allies decided earlier this week to hold an online gathering rather than meet in-person at their Vienna headquarters. The next full meeting is scheduled to be on June 4, while the Joint Ministerial Monitoring Committee meets on Feb. 1

The Group of Seven nations, Australia and the 27 European Union countries imposed on Dec. 5 a price cap on Russian crude oil transported by ships, aiming to reduce Moscow's ability to finance its war in Ukraine and preserve stability on the global oil market at \$60. The price cap comes on top of an EU embargo on buying seaborne Russian crude oil as a measure aimed mainly at providing third-party countries with an option to still buy it if the transaction is at or below the price cap level.

The International Energy Agency (IEA) forecast demand growth to slow to 1.6 million bpd in 2023 from 2.1 million bpd this year.

India, world's third biggest oil importer and consumer, bought about 40% of all Urals seaborne export volumes loading in November, outperforming other states as buyers, Reuters calculations based on Refinitiv and traders' data showed. Indian state refiners' daily diesel sales rose 21% in November from the previous month, preliminary sales data showed, indicating a recovery in the country's industrial and construction activity.

OPEC in its monthly report, cut its forecast for 2022 global oil demand growth for a fifth time since April and further trimmed next year's figure, citing mounting economic challenges including high inflation and rising interest rates. Oil demand in 2022 will increase by 2.55 million barrels per day (bpd), or 2.6%, the Organization of the Petroleum Exporting Countries (OPEC) said in a monthly report, down 100,000 bpd from the previous forecast. Next year, OPEC expects oil demand to rise by 2.24 million bpd, also 100,000 bpd lower than previously forecast. OPEC said its output in October fell by 210,000 bpd to 29.49 million bpd, more than the pledged OPEC+ reduction, led by a 149,000 bpd cut by Saudi Arabia. The figures are compiled by OPEC using secondary sources.

Going ahead, Uncertainty in global oil and gas markets could stay for some time to come as spare capacity is very low while demand is still recovering. With Russia's invasion of Ukraine, global supply shortages approached 5 million to 6 million barrels per day (bpd) while demand has risen to record highs. Geopolitical tension between western countries & Russia resulted in higher volatility as well prices and if this issue not sorted out within short period then in long run this will definitely resulted in oil shocks with prices to scale all time high.

Technical Outlook:-

On the Daily Chart MCX:



Expected Support and Resistance level for the month

Crude	S1	S2	R1	R2
NYMEX/DG CX (\$)	70	65.50	83.50	94
MCX (Rs.)	5900	5700	6450	6800

MCX trend seen Bearish as long hold R1, While Sustain Close below 5900 seen towards 5700-5600.

Natural Gas

Technical Outlook:

On the Daily Chart MCX:



Natural Gas	S1	S2	R1	R2
MCX (Rs.)	477	450	522	570

MCX trend seen Bearish as long hold R1, While Sustain Close below 450 seen towards 410-400 belt.

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Base Metals

Market Outlook and Fundamental Analysis

COPPER:

Base metal complex seen a first monthly gain of after last 7-month of fall as fall in dollar index and after US FED likely to less hawkish on its rate hike spree added by supply disturbance will fuel rally in metals prices. However, price seen cap by China, world largest metals consumer, its Zero Covid policy which impose lockdown to mane cities & hurt demand added by recession fear makes metals sell off at higher level. Benchmark Copper in domestic Future market gain almost 5% & its 2nd consecutive monthly gain followed by Zinc & Aluminum gain 6% and Lead gain 3%, resulted in over 8% gain in overall Metal index for the month November.

Indonesia's proposal to create an organisation to control nickel output and prices along the lines of OPEC would be an uphill struggle, as production is controlled by privately-owned companies and not governments. The proposal to "coordinate and integrate nickel policy" in the way that OPEC does, to ensure nickel producing countries optimise their returns, was made this week by Indonesia's investment minister in talks with Canada.

Indonesia is expected to produce between 1.25 and 1.5 million tonnes of nickel this year, more than 40% of world mined production estimated at between 3 million to 3.2 million tonnes. Canada produced 130,000 tonnes of nickel in 2021, according to U.S. Geological Survey (USGS). Other top nickel producing countries include the Philippines accounting for 370,000 tonnes last year and Russia for 250,000 tonnes, according to USGS. USGS data shows New Caledonia produced 190,000 in 2021 and Australia 160,000 tonnes. Around two-thirds of global nickel production is used to make stainless steel mostly in mills located in China. The use of nickel in electric vehicle batteries is also growing fast - amounting to nearly 15% of the total this year and expected to reach 20% by 2025 and nearly 35% by 2030.

On Data Side, U.S. single-family home prices slowed further in September as higher mortgage rates eroded demand, closely watched surveys showed. Monthly house prices fell in July for the first time since late 2018. House prices rose 10.6% year-on-year in September, slowing from August's increase of 12.9%.

Separately, India's top mining industry federation is seeking higher import taxes on metals such as zinc, copper and aluminium to help halt a tide of cheaper imports, especially from

China, according to a note it sent to the government. The government should raise import taxes to 10%-15% on several aluminium products, including scrap to 10% from 2.5%, the Federation of Indian Mineral Industries (FIMI) said in the note addressed to the Ministry of Finance. The FIMI also urged government to raise import taxes on intermediate and finished goods of copper and zinc ingots to 7.5% from 5%.

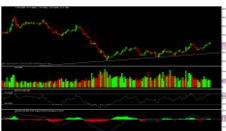
India is the world's third-biggest primary aluminium producer. India's aluminium producers are expected to raise their combined production capacity to 4.6 million tonnes in the next two years, up from 4.1 million tonnes now. During the fiscal year to March 2023, India's aluminium demand is expected to reach 4.2 million tonnes. It imported 2.3 million tonnes of aluminium in the previous fiscal year, much of that supply cheap imports.

Going ahead, geopolitical tension between western/European countries and Russia resulted in supply disturbance and force prices towards multiyear to all time high earlier. Metals prices are likely to rise further as inflation pushes investors towards commodities while tight supply of industrial metals and the risk of further sanctions constraining Russian supply also boosting prices.

Base Metals

TECHNICAL OUTLOOK:

COPPER:



Expected Support & Resistance level for the month

Copper	S1	S2	R1	R2
MCX	685	662	712	730

MCX trend seen Bullish as long hold S1, While Sustain above 712 seen sharp Up rally towards 740-750.

LEAD:

Technical Outlook:

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	182	176	188	194

MCX trend seen Bullish as long hold S1 while Sustain Close above 188 seen 192-194 belt.

ZINC

TECHNICAL OUTLOOK:

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	273	259	288	300

MCX trend seen Bullish as long hold S1, While Sharp Uprally expected only Sustain above 288

NICKEL

TECHNICAL OUTLOOK:

No View due to Low Volumes

Expected Support & Resistance level

Nickel	S1	S1	R1	R2
MCX				

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