

GOLD

Market Outlook and Fundamental Analysis:

Bullion seen a 6th straight monthly decline, a longest streak of monthly decline in 4-years, as Gold seen worst quarter since March-21 as aggressive FED which expected to increase more interest rates dented gold appeal as investment class, added by strong dollar & higher treasury yield which diminish geopolitical tension and safe haven buying against multiyear high inflation. Gold in domestic future market end flat while Silver rally almost 8%, 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. Also pressure by dollar index which scale fresh 20-year high during the month & increasing treasury yield makes bullion unattractive at every rally throughout the month.

US Nonfarm payrolls, shows U.S. employers hired more workers than expected in September, while the unemployment rate dropped to 3.5%, pointing to a tight labor market which keeps the Federal Reserve on its aggressive monetary policy tightening campaign for a while. Nonfarm payrolls increased by 263,000 jobs last month after rising by an unrevised 315,000 in August, the survey of establishments showed. Job growth has averaged 420,000 per month this year, down from the monthly average of 562,000 in 2021. Economists polled by Reuters had forecast 250,000 job gains and the unemployment rate was forecast unchanged at 3.7%.

The Federal Reserve looks almost certain to deliver a fourth straight 75-basis point interest rate hike next month after a closely watched Nonfarm payroll Data showed its aggressive rate hikes so far this year have done little to cool the U.S. labor market. Pricing of futures tied to the Fed's policy rate implied a 92% chance that the Fed will raise its policy rate, now at 3%-3.25%, to a 3.75%-4% range when it meets Nov. 1-2.

The International Monetary Fund on Tuesday cut its global growth forecast for 2023 amid colliding pressures from the war in Ukraine, high energy and food prices, inflation and sharply higher interest rates, warning that conditions could worsen significantly next year. "In short, the worst is yet to come, and for many people, 2023 will feel like a recession." The IMF said global GDP growth next year will slow to 2.7%, compared to a 2.9% forecast in July and keeping its 2022 growth forecast at 3.2%. U.S. growth this year will be a meager 1.6% and kept its 2023 U.S. growth forecast unchanged at 1.0%. The Fund forecast headline consumer price inflation peaking at 9.5% in the third quarter of 2022, declining to 4.7% by the fourth quarter of 2023. The IMF put a 25% probability of global growth falling below 2% next year - a phenomenon that has occurred only five times since 1970 - and said there was a more than 10% chance of a global GDP contraction.

The International Monetary Fund has cut India's FY23 GDP forecast to 6.8% from its earlier projection of 7.4%. For FY24, India's GDP growth is expected to slow further to 6.1%, the IMF said. This is the third downward revision for India. FY23 GDP forecast was downgraded to 7.4% in July from 8.2% estimated in April keeping in view negative changes in external conditions, besides rapid monetary policy tightening. Last week, the World Bank had slashed its India forecast for 2022-23 to 6.5% from 7.5% earlier.

On Data side, U.S. job openings fell by the most in nearly 2-1/2 years in August, though staying at high levels as demand for labor remains fairly strong, which could keep the Federal Reserve on its aggressive monetary policy tightening path. U.S. manufacturing activity grew at its slowest pace in nearly 2-1/2 years in September as new orders contracted, as the ISM said that its manufacturing PMI dropped to 50.9 this month, the lowest reading since May 2020, from 52.8 in August. U.S. consumer spending increased more than expected in August, The PCE price index rose 0.3% last month after dipping 0.1% in July. In the 12 months through August, the PCE price index increased 6.2% after advancing 6.4% in July. Wages increased 0.3% after surging 0.8% in July. The saving rate was unchanged at 3.5%. German inflation was at its highest in more than a quarter of a century in September, as Consumer prices, increased by 10.9% on the year, the federal statistics office said. A Reuters poll of analysts predicted a rise of 10.0%.

A host of central banks from across the world raised interest rates in Sep; the U.S. Federal Reserve delivered its third straight rate increase of 75 basis points and signaled more hefty hikes ahead, underscoring its resolve not to let up in its battle against inflation and giving a further boost to the dollar. The Fed's target policy rate is now at its highest level since 2008 - and new projections show it rising to the 4.25%-4.50% range by the end of this year and ending 2023 at 4.50%-4.75%. The Fed said that "recent indicators point to modest growth in spending and production," but the new projections put year-end economic growth for 2022 at 0.2%, rising to 1.2% in 2023, well below the economy's potential. The unemployment rate, currently at 3.7%, is projected to rise to 3.8% this year and to 4.4% in 2023.

The Reserve Bank of India raised its benchmark repo rate by 50 basis points on Friday, the fourth straight increase, as policymakers extended their battle to tame stubbornly high inflation and analysts said further tightening is on the cards. The RBI has now raised rates by a total 190 basis points since its first unscheduled mid-meeting hike in May but inflation continues to remain stubbornly high - a phenomenon that is affecting much of the global economy. The MPC lowered its GDP growth projection for financial year 2023 to 7% from 7.2% earlier, while its retail inflation forecast was held steady at 6.7%.

On domestic Data update, Growth in India's services industry slumped in September to a six-month low, the S&P Global India services Purchasing Managers' Index fell to 54.3 in September from August's 57.2, much lower than the Reuters poll expectation for a gentle drop to 57.0. India's factory growth dipped to a three-month low in September due to a

moderation in demand and output, as the Manufacturing PMI, compiled by S&P Global, fell to 55.1 in September from 56.2 in August, below the 55.8 predicted by economists in a Reuters poll.

India has raised total import duty on platinum to 15.4% from 10.75%, the government notification shows, seeking to bring parity in import duty structure between gold and platinum. In July, India raised import duty on gold to 15% but then kept the tax on platinum imports unchanged at 10.75%. India's platinum imports in September jumped multifold to a record high as refiners imported a large amount of gold containing small amounts of platinum but registered the purchases with customs as platinum alloy to avoid paying higher duties.

India's gold imports in September fell 30% from a year ago to 68 tonnes, while Turkish gold imports soared 543%. China's net gold imports via Hong Kong jumped nearly 40% to a more than four-year high in August.

Separately, Sterling slumped to a record low on last week of the month, Euro hit fresh 20-year low while dollar index rally towards fresh 20-year high. Germany's 10-year government bond yield hit its highest since December 2011 at 2.132% and Italy's benchmark bond yields rose to their highest since 2013.

The Swiss National Bank also pulled up its rates by a chunky 0.75 percentage point - only the second increase in 15 years which also ended its 7-1/2 year spell in negative interest rates. Japan intervened in the foreign exchange market to buy yen for the first time since 1998, in an attempt to shore up the battered currency after the Bank of Japan stuck with ultra-low interest rates. The currency has depreciated nearly 20% this year, sinking to 24-year lows, largely as aggressive U.S. interest rate hikes push the dollar higher.

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 \$1670

Expected support and Resistance level for the month

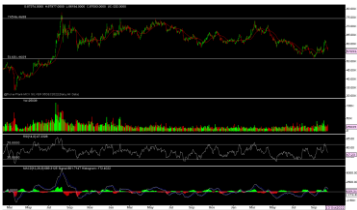
Gold	S1	S2	R1	R2
COMEX/DG CX (\$)	1640	1600	1710	1765
MCX (Rs.)	50250	49100	51700	52900

Mcx Trend seen bearish as long R1 hold upside, while Sustain close above 52150 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 (\$)	17.90	17	19.50	21
MCX (Rs.)	56000	54300	60400	62400

MCX trend seen Bearish as long hold R1, While Sustain fall below 56200 seen Sharp down Rally.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex register straight 4th monthly decline in Sep as recession fear dented demand for crude added by strong dollar which scale to fresh 20-year high and lockdown news in China makes pressure in energy prices. Crude oil in domestic future exchange down almost 9% to test Feb month low despite weakness in Indian rupee against the dollar.

In its latest meet OPEC+ agreed steep oil production cuts, curbing supply in an already tight market, OPEC's de-facto leader Saudi Arabia said the cut of 2 million barrels per day (bpd) of output - equal to 2% of global supply - was necessary to respond to rising interest rates in the West and a weaker global economy. The White House said President Joe Biden would continue to assess whether to release further strategic oil stocks to lower prices. Wednesday's production cuts of 2 million bpd are based on existing baseline figures, which means the cuts would be less deep because OPEC+ fell about 3.6 million barrels per day short of its output target in August. The next OPEC+ meeting will take place on Dec 4. OPEC+ will move to meeting every six months instead of monthly meetings.

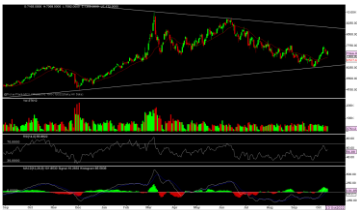
OPEC monthly report shows, Oil demand will increase by 3.1 million barrels per day (bpd) in 2022 and by 2.7 million bpd in 2023, unchanged from last month. OPEC now sees oil use exceeding 2019's rate in 2023, having this year said it expected this to happen in 2022. OPEC's monthly report showed OPEC output posted a sizeable gain in August, rising by 618,000 bpd to 29.65 million bpd, although much of this was due to Libyan supply recovering from outages.

Separately, In the United States, the Strategic Petroleum Reserve (SPR) fell 8.4 million barrels to 434.1 million barrels in the week ended Sept. 9, the lowest since October 1984, according to data released on Monday by the Department of Energy. U.S. President Joe Biden in March set a plan to release 1 million barrels per day over six months from the SPR to tackle high U.S. fuel prices, which have contributed to inflation.

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 entering a multi month, 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 (\$)	85	81	94	98
MCX (Rs.)	7050	6450	7750	8100

MCX trend seen Bullish as long hold S1, While Sustain Close above 7750 seen towards 8000-8100 marks.

Natural Gas

Technical Outlook:

Natural Gas	S1	S2	R1	R2
MCX (Rs.)	515	485	565	600

MCX trend seen Bearish as long hold R1, While Sustain Close below 515 seen towards 500-485 belt.

Base Metals

Market Outlook and Fundamental Analysis

COPPER:

Base metal complex seen roller costal ride in the month of Sep as price rally higher side in first half due to supply disturbance makes lower supply for ready market added by global recovery expectations and fall in dollar index makes buyout for most of the metals but in second half prices fall due to recession fear after aggressive FED interest rates increases and recovery in dollar index. Benchmark copper register straight 6th monthly fall to end marginally lower but traded above 20-month low register in the month of Aug. Other side zinc down 13%, Lead almost flat and Aluminum down by almost 7%.

The LME, the world's oldest and largest market for industrial metals, is considering a consultation on whether Russian metal such as aluminium, nickel and copper should continue to be traded and stored in its system, the exchange said on Thursday. The LME issued a statement after three sources familiar with the matter told Reuters the exchange was planning to discuss banning new deliveries of Russian metal so its warehouses cannot be used to offload hard-to-sell stock. Russia's Nornickel accounted for 7% of global mined nickel production last year, while Rusal, the world's largest aluminium producer outside China, is expected to account for 6% of global supplies of the metal this year. Russia also produced 920,000 tonnes of refined copper last year, about 3.5% of the world's total, according to the U.S. Geological Survey.

China's exports and imports lost momentum in August with growth significantly missing forecasts as surging inflation crippled overseas demand and fresh COVID curbs and heat waves disrupted output, reviving downside risks for the shaky economy. Exports rose 7.1% in August from a year earlier, slowing from an 18.0% gain in July and marking the first slowdown since April.

China's aluminium imports in August dropped 19% from a year earlier, reflecting lowered import appetite amid record-high domestic production and tight overseas supply. The

country brought in 200,440 tonnes of unwrought aluminium and products, including primary metal and unwrought, alloyed aluminium last month, according to data from the General Administration of Customs. Total imports in the first eight months were 1.48 million tonnes, down 27% from the same period a year ago. China, the world's biggest producer and consumer of the light metal, made 3.51 million tonnes of aluminium in August, a record for a single month, following a prior record set in July.

On Supply side, Miner and trader Glencore will place its Nordenham zinc smelter in Germany on care and maintenance from Nov. 1, it said in a memo. The stop will remain in place until macro economic conditions improve, Demesmaeker added. The smelter produces around 165,000 tonnes of zinc and zinc alloys per year, according to its website.

Passenger vehicle sales for September in India nearly doubled to 307,389 units from a year ago, the Society of Indian Automobile Manufacturers (SIAM) said. Production for the month also rose 88% to 372,126, the Indian auto industry lobby group said.

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	640	620	660	675

MCX trend seen Bearish as long hold R1, While Sustain below 640 seen sharp down move towards 620-610.

LEAD:

Technical Outlook:

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	178	171	184	190

MCX trend seen Bullish as long hold S1 while Sustain Close above 184 seen 189-190 belt.

ZINC

TECHNICAL OUTLOOK:

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	265	258	283	290

MCX trend seen Bullish as long hold S1, While Sharp Uprally expected only Sustain above 283-290

NICKEL

TECHNICAL OUTLOOK:

No View due to Low Volumes

Expected Support & Resistance level

Nickel	S1	S1	R1	R2
MCX				

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Disclosure:

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