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Spot Gold prices in the international market traded in the region of \$1804.7 and made a historic high of \$2146.7 per Oz. Currently, as of date (Dec-28-23) gold is traded at \$286 per Oz. In percentage terms, so far in 2023, it has gained by 14 per cent.

Spot gold in Q2 of 2023 made a temporary high of \$2081.8 per Oz and then reversed to test the Feb-2023 low of \$1810.3 per oz, before it resumed its uptrend and eventually touched an all-time high of \$2146.7 per Oz on 04 Dec.

"Precious Metals Outlook: Unveiling the Glitter of Gold and Silver in 2023, Dancing into 2024!"

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In the daily chart prices are holding well above the broadening rectangle formation, and also above the 100 and 200-day moving average cross-over, signaling overall uptrend is intact.

MACD (12,26) also hints at further upward bias in gold prices, lending credibility to the current technical formation.

The next potential strong resistance is seen at \$2140-2150 and then at \$2172-2190 per Oz. On the lower side, immediate support is seen in the region of \$2015 and \$1972 per Oz. As long as the key support zone of \$1930-1910 is not violated, the overall uptrend in gold will remain intact.



Whether the gold prices breach \$2200 and above will depend on multiple factors going forward, which includes the behaviour of the US dollar index – how far it will go down, Geo-political tensions/conflicts, which as usual are difficult to predict, will inflation continue to remain moderate/or on a soft pedal, which is critical in terms of US Fed to decide on the quantum of interest rate cuts, how the developed countries economy to fare well in H1 of 2024 etc., as we go into 2024.

Technically in case sustains above USD 2200 per Oz then one can expect gold prices to move further towards \$2350-2390 per oz, which also coincides with the rectangle formation breakout target.

MCX: Gold futures in the MCX continuation chart in 2023 traded in the region of INR 54,771 and 64,063 per 10 grams. In percentage terms so far, the gains were around 15 per cent.

From the Mar-2023 lows of INR 54,771, gold prices swiftly moved higher towards INR 61,845 during May 2023. Then prices corrected from the highs and reached the 2023-second low of INR 56,421 during the first week of October 2023. Now as of date (Dec-28th) gold prices in the MCX made a high of INR 63,821, closer to the record high of INR 64,063.

Initial resistance is seen at around INR 65,500 and then at INR 69,000-70,000, which could act as strong resistance. Strong support is seen in the region of INR 61,000 and 59,000, unlikely to drop further. Overall MCX gold futures are to trade in the broader region of INR 59,000 and 70,000 per 10 grams during 2024.

Silver

Spot silver prices during 2023 so far traded in between \$20.66 and 25.91 per Oz. As of date (Dec 28) silver spot is trading at \$24.25 per Oz.

Silver in the spot weekly continuation is forming higher lows since March 2020. The current low is \$20.66 formed in October-2023. The downside for 2023 can be seen in the region of \$22 and 21.55 levels and most probably holds that support.

Short-term resistance is seen at around \$25.50-26 per Oz, along with the rising wedge technical formation. If this hurdle is crossed then one can foresee silver prices touching the next higher resistances of \$29 to 31 levels.

MCX

MCX Silver futures in the continuation traded in the region of INR 61353 and 78549 per kg so far in 2023. Currently (as of Dec-28th), silver is trading at INR 75,400 per kg.

Next resistance is seen at around 78500 and then at INR 81,000. If sustained above then silver prices could gain further and touch a new high in the region of INR 85,000 and 88,000 per kg during 2024.

On the lower side, INR 71,000 and 67,500 will act as strong support and are unlikely to breach those levels. Overall, silver futures in MCX are most probably to trade in the broader region of INR 67,500 and 88,000 per kg during 2024.

