

REP-019

Gold extends declines to 2-week low on equities sell-off

GOLD: Gold prices extended declines to a two-week low on Wednesday as a sharp sell-off in equities forced a rush to cover margin calls, adding pressure on bullion ahead of keenly awaited non-farm payrolls data due later this week. Spot gold fell 0.8% to \$2,473.50 per ounce, having hit its lowest since Aug. 22. U.S. gold futures dipped 0.7% to \$2,505.40. "Gold is under some light pressure this morning in the face of equities' weakness— this is normal as there may be some selling in case of equity-related margin calls," said StoneX analyst Rhona O'Connell. "Gold remains under pressure despite the risk-off mood... the precious metal could be exposed to further volatility on Wednesday due to the incoming U.S. factory orders, JOLTS labour market data which may influence Fed cut expectations," said FXTM senior research analyst Lukman Otunuga.

4-Sep-24	1st Support	2nd Support	1st Resistance	2nd Resistance
Gold	\$2,475	\$2,458	\$2,508	\$2,524
Silver	\$27.63	\$27.22	\$28.49	\$28.95
WTI	\$68.76	\$67.34	\$72.94	\$75.70
EURUSD	\$1.1021	\$1.1000	\$1.1067	\$1.1093
GBPUSD	\$1.3083	\$1.3054	\$1.3144	\$1.3177
USDJPY	144.66	143.87	146.72	147.99
DJIA-30	40,632	40,325	41,391	41,843
S&P-500	5,467	5,410	5,619	5,713
NSDQ-100	18,663	18,380	19,429	19,912

Source: AKD Research and MT4

OIL: Oil prices extended declines during Asia trading hours, after a report that Libya's oil production was set to be restored pressured prices overnight. OPEC+ plans to raise output amid weakness in China's economy have also been dragging prices lower. Global benchmark Brent slipped 0.57% to \$73.33 a barrel, while U.S. West Texas Intermediate futures fell 0.65% to trade at \$69.88 per barrel. On Tuesday, U.S. crude oil futures fell more than 4% to log their lowest close since December, erasing all gains for the year, after a report said that Libya's rival governments could broker a deal that would help restore oil output following days of disruptions. The eastern government in Benghazi had cut production in a dispute with the U.N.-backed government in Tripoli over the leadership of the central bank.

US-EQUITIES: U.S. stock futures fell Wednesday after the major averages kick-started September lower, with the S&P 500 clocking its worst day since early August. S&P 500 futures and Nasdaq-100 futures dipped 0.7% and 0.4%, respectively. Dow Jones Industrial Average futures slid 93 points, or 0.2%. Traders will also look to the latest releases on the U.S. trade deficit, job openings and labor turnover (JOLTS) survey, and factory orders data.

US DOLLAR: The Swiss franc, another safe haven, strengthened about 0.2% to 0.8487 per dollar. The euro was flat at \$1.10525, recovering from marginal declines earlier in the session. Euro zone business activity received a boost from France hosting the Olympic Games last month but the malaise in the bloc is likely to return once the Paralympics wraps up as demand remains weak, a survey showed. Sterling was flat at \$1.3117, after weakening 0.23% overnight, while the Aussie slipped a further 0.1% to \$0.67035, extending Tuesday's 1.2% tumble. Economists surveyed by Reuters expect Friday's report to show an increase of 165,000 U.S. jobs in August, up from a rise of 114,000 in July.

Source: Reuters, CNBC, Bloomberg

Key Economic Indicators for Tomorrow

Time	Currency	Impact	Economic Indicator	Forecast	Previous
10:00pm	USD	High	JOLTS Job Openings	8.09M	8.18M

Source: www.forexfactory.com

Kamal Ahmed
 kamal.ahmed@akdsl.com
AKD Securities Limited
 602, Continental Trade Centre, Clifton Block 8,
 Karachi, Pakistan
UAN: 92-111-253-111



GOLD: KEY HIGHLIGHTS

Date	3-Sep
Open	2,499.48
High	2,506.11
Low	2,473.04
Close	2,492.93
MA(50)	2,427.82
MA(100)	2,384.33
MA(200)	2,238.63

Source: AKD Research & MT4

GOLD SPOT



Technical Strategy: Buy on Weakness

Gold closed at US\$2492.93/Oz above its 50-DMA which is at US\$2428/Oz. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US \$2470 - 2520/Oz.

SILVER: KEY HIGHLIGHTS

Date	3-Sep
Open	28.52
High	28.55
Low	27.69
Close	28.03
MA(50)	29.12
MA(100)	29.14
MA(200)	26.58

Source: AKD Research & MT4

SILVER



Technical Strategy: Play the Range

Silver closed at US\$28.03/Oz below its 50-DMA which is at US\$29.12/Oz. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US \$27.22 - 28.95/Oz.

WTI SPOT: KEY HIGHLIGHTS

Date	3-Sep
Open	74.06
High	74.27
Low	70.09
Close	70.19
MA(50)	77.56
MA(100)	78.33
MA(200)	77.56

Source: AKD Research & MT4

WTI SPOT (CRUDE OIL)



Technical Strategy: Buy on Weakness

Oil closed at US\$70.19/bbl below its 50-DMA which is at US\$77.56/bbl. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US\$67.34 - 75.7/bbl.



AKD Securities Limited



EUR/USD: KEY HIGHLIGHTS

Date	3-Sep
Open	1.1065
High	1.1072
Low	1.1025
Close	1.1042
MA(50)	1.0922
MA(100)	1.0847
MA(200)	1.0851

Source: AKD Research & MT4

EUR-USD



Technical Strategy: Play the Range

EURUSD closed at US\$1.1042 above its 50-DMA which is at US\$1.0922. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US \$1.1000 - 1.1093.

GBP/USD: KEY HIGHLIGHTS

Date	3-Sep
Open	1.3140
High	1.3148
Low	1.3087
Close	1.3112
MA(50)	1.2894
MA(100)	1.2763
MA(200)	1.2713

Source: AKD Research & MT4

GBP-USD



Technical Strategy: Play the Range

GBPUSD closed at US\$1.3112 above its 50-DMA which is at US\$1.2894. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US \$1.3054 - 1.3177.

USD/JPY: KEY HIGHLIGHTS

Date	3-Sep
Open	146.87
High	147.20
Low	145.14
Close	145.44
MA(50)	152.27
MA(100)	154.29
MA(200)	151.18

Source: AKD Research & MT4

JPY-USD



Technical Strategy: Play the Range

USDJPY closed at US\$145.44 below its 50-DMA which is at US\$152.27. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of US\$143.87 - 147.99.



AKD Securities Limited



DJIA-30: KEY HIGHLIGHTS

Date	3-Sep
Open	41,518
High	41,536
Low	40,777
Close	40,939
MA(50)	40,164
MA(100)	39,501
MA(200)	38,776

Source: AKD Research & MT4

DJIA-30



Technical Strategy: Play the Range

Dow Jones closed at 40,939 below its 50-DMA which is at 40,164. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of 40,400– 41,800.

S&P-500: KEY HIGHLIGHTS

Date	3-Sep
Open	5,651
High	5,655
Low	5,504
Close	5,525
MA(50)	5,509
MA(100)	5,384
MA(200)	5,157

Source: AKD Research & MT4

S&P-500



Technical Strategy: Play the Range

S&P closed at 5,525 below its 50-DMA which is at 5,509. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of 5,450 – 5,700.

NASDAQ-100: KEY HIGHLIGHTS

Date	3-Sep
Open	19,593
High	19,629
Low	18,863
Close	18,946
MA(50)	19,466
MA(100)	19,004
MA(200)	18,175

Source: AKD Research & MT4

NASDAQ-100



Technical Strategy: Play the Range

NASDAQ closed at 18,946 below its 50-DMA which is at 19,466. However, RSI and Stochastic are neutral in the short term charts and suggest range bound trading. We recommend playing within the range of 18,380 – 19,912.



AKD Securities Limited

COMMODITIES VANTAGE

Glossary of Terms

Support: Support is the level at which the stock is likely to see increased interest from buyers. The buying support will prevent the stock from falling further.

Resistance: Resistance is the level at which the stock is likely to see increased interest from sellers. The selling pressure will prevent the stock from rising further.

RSI: The Relative Strength Index (RSI) is a momentum oscillator that ranges from 0 to 100. It compares the extent of the stock's recent price movements by evaluating recent gains and losses. Stocks with RSI above 70 could be considered overbought, and below 30 could be considered oversold. Generally, if the RSI falls below 70, it is a bearish signal. Conversely, if the RSI of a stock rises above 30 it is considered bullish. The RSI used is of 14 days.

Bollinger Bands: A Bollinger Band, developed by famous technical trader John Bollinger, is plotted two standard deviations away from a simple moving average. BB highly popular technical analysis technique. Many traders believe the closer the prices move to the upper band, the more overbought the market, and the closer the prices move to the lower band, the more oversold the market.

MACD: MACD shows the relationship between a longer period moving average and a short period Moving average of a stock's price. Generally, the 26-day exponential moving average (EMA) and the 12-day EMA are used to calculate MACD.

EMA: Exponential moving average (EMA) is the weighted average of the prices of a given security where higher weights are given to recent data points. EMA is used to analyze the trend of a stock.

SMA: A simple moving average (SMA) is the average of the closing price of a security for a given period.

The parabolic SAR: is a technical indicator used to determine the price direction of an asset, as well as draw attention to when the price direction is changing. Sometimes known as the "stop and reversal system," the parabolic SAR was developed by J. Welles Wilder Jr., creator of the relative strength index (RSI).

DISCLAIMER SECTION

Analyst Certification of Independence

The analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

The research analysts, strategists or research associates principally having received compensation responsible for the preparation of this AKDS research report based upon various factors including quality of research, investor client feedback, stock picking, competitive factors and firm revenues.

Disclosure of Interest Area

AKDS and the authoring analyst do not have any interest in any companies recommended in this research report irrespective of the fact that AKD Securities Limited may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment.

Regional Disclosures (Outside Pakistan)

The information provided in this report and the report itself is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject AKDS or its affiliates to any registration or licensing requirements within such jurisdiction or country.

Furthermore, all copyrights, patents, intellectual and other property in the information contained in this report are held by AKDS. No rights of any kind are licensed or assigned or shall otherwise pass to persons accessing this information. You may print copies of the report or information contained within herein for your own private non-commercial use only, provided that you do not change any copyright, trade mark or other proprietary notices. All other copying, reproducing, trans-mitting, distributing or displaying of material in this report (by any means and in whole or in part) is prohibited.

For the United States

The securities referred to in this Report may not be eligible for sale in some jurisdictions. This Report is not intended for, and must not be distributed to private customers in the UK, the US or any other part of the world. This report is intended only for, and may be distributed only to, accredited investors, expert investors or institutional investors in Pakistan who may contact AKD Securities Limited's Head Office, 6th Floor, Continental Trade Centre, Clifton Block 8, Karachi.