



DAILY METALS COMMENTARY

Thursday May 09, 2024

PRECIOUS METALS COMMENTARY

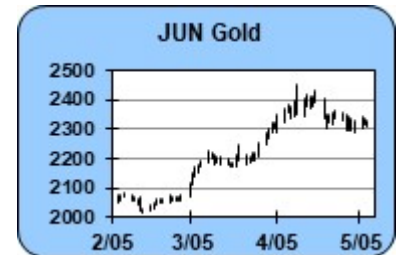
5/9/2024

Lower highs & lower lows in gold & divergence with silver

OVERNIGHT CHANGES THROUGH 3:16 AM (CT):

GOLD -3.20, **SILVER** +0.03, **PLATINUM** +0.69

OUTSIDE MARKET DEVELOPMENTS: Global equity markets overnight were mixed with gains located in Asia and initial weakness throughout Europe. Critical economic news released overnight included a modest increase in Chinese April exports, a significant increase in Chinese imports on a year over year basis, a noted expansion of the Chinese trade surplus, improvement in a Japanese coincident index reading for March and a better-than-expected but softer Japanese leading economic index reading for March. The North American session will start out with a weekly reading on initial jobless claims which are expected to have a minimal uptick from the previous 208,000 reading. Ongoing jobless claims are forecast to have a mild weekly increase from the previous 1.774 million reading.



MARKET FUNDAMENTALS: While we don't expect to see a significant gold and silver price reactions to today's US jobs related data, a higher high in the dollar early on, slightly higher US interest rates and a series of lower highs and lower lows in gold this week leaves the bear camp with an edge. On the other hand, the trade is expecting a slight increase in continuing and initial jobless claims and that could provide a brief lift for prices. However, favorable Chinese trade data and a report of an improvement in the Chinese homebuyer market should provide an improvement in expectations for improved Chinese gold demand. Even though the markets will be presented with a Bank of England rate decision early today, that news is unlikely to have a major impact as the trade thinks the policymakers will simply favor lower rates in dialogue and not act. At present, without a surprise headline development, we leave the edge with the bear camp with trading ranges expected to be narrow and the expectation the lower high and lower low pattern to extend. Going forward, the dollar bulls look to extend their control which should thicken resistance in gold and silver. The top of the anticipated consolidation range in June gold is \$2,341.90 and the bottom is seen at \$2,291.70. The anticipated range in July silver today is bound by \$28.12 on the upside and by \$27.06 on the downside.

TODAY'S MARKET IDEAS:

We see gold and silver attempting to maintain a temporary equilibrium with speculative interest moderating and the markets giving off signs of chopping within recent consolidation patterns. However, traders could see a burst of volatility following US initial claims data with the bear camp extending control if the US job data fails to rekindle easing hopes. The top of the anticipated consolidation range in June gold is \$2,341.90 and the bottom of the range is seen at \$2,291.70. The anticipated range in July silver today is bound by \$28.12 on the upside and by \$27.06 on the downside.

NEW RECOMMENDATIONS:

None

PREVIOUS RECOMMENDATIONS:

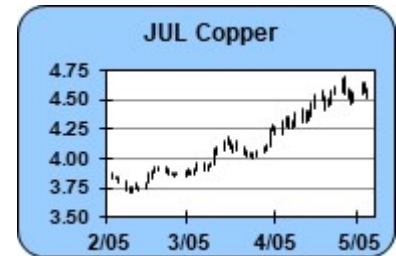
None.

COPPER COMMENTARY

5/9/2024

Corrective action underway targeting \$4.48

GENERAL: While the copper trade maintains a bullish tilt from long-term structural tightness projected from industry experts, the lack of a positive reaction to improved Chinese import and export data overnight suggests the bias remains down. However, with Chinese April copper imports dropping from price shock, a slide below \$4.50 in July copper is likely in the coming 36 hours of trade. Fortunately for the bull camp, Chinese January through April copper concentrate, unwrought copper and copper product imports increased year-over-year potentially discounting the April import drop as a temporary response to prices surging by more than \$0.60 in the month and given copper prices at one point were \$1.00 above the February low! In fact, given what could be a massively overdone net spec and fund long positioning report tomorrow afternoon, we suspect the copper market will continue to grind lower. However, LME copper warehouse stocks continued to fall with consistency but that has not been in the headlines yet. On the other hand, the cash to three-month LME copper spread reached the largest discount ever yesterday, suggesting bullish sentiment might have been overdone as of late last month.



MARKET IDEAS:

We see more corrective action with key support in July copper pegged at \$4.5050 and then down again at \$4.4830.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

METALS TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

COMEX GOLD (JUN) 05/09/2024: Daily stochastics are trending lower but have declined into oversold territory. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The next downside objective is 2300.5. The next area of resistance is around 2325.9 and 2336.8, while 1st support hits today at 2307.7 and below there at 2300.5.

COMEX SILVER (JUL) 05/09/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. It is a slightly negative indicator that the close was under the swing pivot. The next upside target is 28.006. The next area of resistance is around 27.802 and 28.006, while 1st support hits today at 27.318 and below there at 27.037.

COMEX PLATINUM (JUL) 05/09/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 1003.37. The next area of resistance is around 995.75 and 1003.37, while 1st support hits today at 976.25 and below there at 964.38.

COMEX COPPER (JUL) 05/09/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The market's close below the 9-day moving average is an indication the

short-term trend remains negative. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside objective is now at 4.46. The next area of resistance is around 4.58 and 4.64, while 1st support hits today at 4.50 and below there at 4.46.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
METALS COMPLEX										
GCEM24	2316.8	45.58	49.92	24.43	23.32	2320.55	2324.47	2347.06	2289.15	2234.06
SIEN24	27.560	54.19	55.13	28.18	34.90	27.36	27.21	27.74	26.72	25.87
PLAN24	986.00	65.90	61.07	61.76	77.05	975.80	961.39	952.87	945.09	934.97
CPAN24	4.54	54.83	58.94	69.75	64.72	4.58	4.57	4.51	4.27	4.17
PAAM24	956.30	40.18	42.05	23.90	29.09	966.90	960.44	991.53	1016.83	1001.55

Calculations based on previous session. Data collected 05/08/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
METALS COMPLEX						
GCEM24	COMEX Gold	2300.4	2307.7	2318.6	2325.9	2336.8
SIEN24	COMEX Silver	27.036	27.317	27.521	27.802	28.006
PLAN24	COMEX Platinum	964.37	976.25	983.87	995.75	1003.37
CPAN24	COMEX Copper	4.45	4.49	4.54	4.58	4.64
PAAM24	COMEX Palladium	936.15	944.80	959.15	967.80	982.15

Calculations based on previous session. Data collected 05/08/2024

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