

Gold Daily Update Wednesday 4th September 2024

Gold Fundamental Analysis:

Gold has underperformed at the start of this week. After a quiet Monday due to the Labour Day bank holiday in the US, Gold prices sold off on Tuesday from weekly highs at 2,507, down to lows at 2,473 as traders reduced long positions after a disappointing ISM PMI update that showed US manufacturing activity contracted for a fifth straight month in a row, leading to fresh uncertainty around the strength of the economy.



Looking forward, the remainder of this trading week is likely to be a volatile period for Gold with two key US economic data releases on Thursday and Friday that could determine whether the Fed cuts interest rates 25bps (0.25%), as currently anticipated by traders, or cuts by a bigger 50bps (0.5%), which would be a shock. First up, on **Thursday the US ISM Services PMI is released at 1500 BST**. Last month's update showed service activity expanded more than expected which calmed investor nerves of an impending US recession, supporting risk sentiment and higher Gold prices. Another positive release this time could have a similar effect. Then, on **Friday US Non-farm payrolls is released at 1330 BST**. All eyes will be on the direction of the unemployment rate which spiked higher to 4.3% last month leading to a big sell off in Gold to its August lows at 2,364. Expectations are for a slight improvement back down to 4.2%, but if that isn't the case, long Gold positions could come under further pressure.

Gold Technical Analysis:

Daily Analysis:

A downside reaction to recent strength has developed, which yesterday tested 2490 support (rising Bollinger mid-average). While this holds on a closing basis the risks are for fresh upside moves to breach 2532 (Aug 20th high), and open scope to 2547 (upper daily Bollinger band), possibly further.

Renewed breaks under 2490, while not an outright negative, can see a deeper sell-off towards 2465 (38% retrace Aug strength).





Disclaimer:

This presentation has been designed and delivered by The Corellian Academy Limited, company number 11596572 whose registered address is 1 Glanths close, Shenfield, Brentwood Essex CM15 8DD United Kingdom. Corellian (or The Firm) operate under a single title and have no affiliations with any entity other than the company.

Information contained in this document is intended for the use of the addressee only and is confidential. Any dissemination, distribution, copying or use of this document without prior permission of the addressee is strictly prohibited.

All opinions and judgements expressed in this presentation /document and all projections, forecasts and statements concerning future events or possible results achieved by Corellian are personal opinions, judgements, projections, forecasts, and statements of Corellian and result from the interpretation by Corellian of the information that was in its possession at the date of preparation of this introductory presentation.

Any views and perspectives offered within this presentation are for the purposes of education only. Corellian do not provide financial advice and will not be held responsible for any misunderstanding or misuse of such information that results in a negative outcome. As a result, anyone participating in this presentation must form their own independent view as to such opinions, judgements, projections, forecasts, or statements.

The information herein is based on information obtained from sources believed to be reliable, but Corellian does not represent or warrant that it is accurate and complete or that the services herein are appropriate for any person. This presentation is for informational purposes only and is not, and may not, be relied on in any manner as legal, tax, investment, accounting or other advice or as an offer to sell or a solicitation of an offer of any security or service.

Certain information contained herein constitutes "forward-looking statements," which can be identified using terms such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", "continue," "target" or "believe" (or the negatives thereof) or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or actual performance of the services offered herein may differ materially from those reflected or contemplated in such forward-looking statements.

As a result, the recipient should not rely on such forward-looking statements in making its decisions to pursue the services or products offered herein. No representation or warranty is made as to future performance or such forward-looking statements. All opinions and judgements expressed in this presentation and all projections, forecasts and statements concerning future events or possible results achieved by Corellian are personal opinions, judgements, projections, forecasts, and statements of Corellian and result from the interpretation by Corellian of the information that was in its possession at the date of preparation of this introductory presentation.

S&P 500: S&P 500 is a trademark of Standard & Poor's Financial Services LLC.

ASX 200: S&P® is a trademark of Standard & Poor's Financial Services LLC. ASX® is a trademark of the Australian Securities Exchange.

USA 30: USA 30 is a trademark of Standard & Poor's Financial Services LLC.