

Gold gains on hint of interest rate cut by Sept.

GOLD PRICES gained more than 1% on Friday as the dollar and Treasury yields retreated following comments from US Federal Reserve Chair Jerome Powell that signaled an interest rate cut in September.

Spot gold rose 1.2% to \$2,512.63 per ounce by 01:44 p.m. ET (1744 GMT), but was off a record high of \$2,531.60 hit on Tuesday. US gold futures settled 1.2% higher at \$2,546.30.

Mr. Powell said "the time has come" for the US central bank to cut interest rates and that inflation was nearing the Fed's 2% target, offering an explicit endorsement of an imminent policy easing.

The dollar index fell 0.8% against its rivals, while benchmark US 10-year yields also declined following Mr. Powell's speech, making gold more attractive for other currency holders.

"Asset markets are reacting well, at least initially, to Powell's general, but somewhat open-ended comment that it's time for policy to adjust," said Tai Wong, a New York-based independent metals trader.

"Gold will continue to grind higher ahead of the September Fed meeting and the updated dot plot which will indicate how many likely cuts this year."

Lower US interest rates also generally increase the relative appeal of zero-yield bullion.

Gold might be over-positioned to the long end and we could see sell-offs and some profit taking, said Bart Melek, head of commodity strategies at TD Securities.

"But longer term, gold should do well since the Fed is very much picking their game and trying to make sure employment doesn't weaken anymore and is not worried about inflation."

Traders are expecting a 59.5% chance of a 25-basis-point (bp) cut in September, while 40.5% expect a deeper 50-bp reduction.

Silver rose 2.9% to \$29.83 per ounce and was up nearly 2.7% for the week. India's silver imports are on course to nearly double this year due to rising demand from solar panel and electronics makers, leading importers said.

Platinum gained 1.8% to \$961.01; and palladium was up 2.6% at \$956.69. — **Reuters**

SPOT PRICES

FRIDAY, AUGUST 23, 2024

METAL

PALLADIUM free \$/troy oz	942.56
PALLADIUM JMI base, \$/troy oz	948.00
PLATINUM free \$/troy oz	946.05
PLATINUM JMI base \$/troy oz	949.00
KRUGGERAND, fob \$/troy oz	2,511.00
IRIDIUM, whs rot, \$/troy oz	4,665.00
RHODIUM, whs rot, \$/troy oz	4,740.00

GRAINS (August 22, 2024)

(FOB Bangkok basis at every Thursday)

FRAGRANT (100%) 1 st Class, \$/ton	1,019.00
FRAGRANT (100%) 2 nd Class, \$/ton	988.00
RICE (5%) White Thai- \$/ton	589.00
RICE (10%) White Thai- \$/ton	588.00
RICE (15%) White Thai- \$/ton	575.00
RICE (25%) White Thai- \$/ton (Super)	575.00
BROKER RICE A-1 Super \$/ton	467.00

FOOD

COCOA ICCO Dly (SDR/mt)	4,909.38
COCOA ICCO \$/mt	6,613.72
COFFEE ICA comp '2001 cts/lb	243.49
SUGAR ISA FOB Daily Price,	
Carib. port cts/lb	17.86
SUGAR ISA 15-day ave.	18.05

LIFFE COFFEE

New Robusta 10 MT - \$/ton

	High	Low	Sett	Psett
Sept.	5,149	4,855	5,128	4,903
Jan.	4,525	4,347	4,513	4,380
Mar.	4,350	4,191	4,340	4,221
May	4,161	4,085	4,220	4,106

LIFFE COCOA

(Ldn)-10 MT-E/ton

	High	Low	Sett	Psett
Sept.	6,402	6,260	6,280	6,342
Mar.	4,790	4,671	4,728	4,748
May	4,564	4,457	4,505	4,521
July	4,413	4,325	4,360	4,371

COCONUT

MANILA COPRA (based on 6% moisture)

Peso/100kg	Buyer/Seller
Lag/Qzn/Luc 24	4,350.00/4,400.00

Philippine Coconut Oil - Crude

CIF NY/NOLA	74.50
FOB RAIL/NOLA	77.00

COCONUT OIL (PHL/IDN), \$ per ton,

CIF Europe	
Aug./Sept.'24	0.00/1,610.00
Sept./Oct.'24	0.00/1,615.00
Oct./Nov.'24	1,570.00/1,617.50
Nov./Dec.'24	1,570.00/1,620.00

LONDON METAL EXCHANGE

LME FINAL CLOSING PRICES, US\$/MT

	3 MOS.
ALUM. H.G.	2,480.00
ALUM. Alloy	2,370.00
COPPER	9,130.50
LEAD	2,053.00
NICKEL	16,603.00
TIN	32,316.00
ZINC	2,858.00

All three major US stock indexes jumped after the release of

Oil prices jump 2% after Fed's Powell interest rate cuts views

HOUSTON — US light crude oil gained more than 2% a barrel on Friday after comments by US Federal Reserve Chair Jerome Powell indicated the central bank was preparing to cut interest rates.

Brent crude futures settled up by \$1.80 or 2.33% at \$79.02 a barrel. US West Texas Intermediate (WTI) crude futures finished up \$1.82 or 2.49% at \$74.83.

"The pivot by the Federal Reserve is real," said Phil Flynn, senior analyst at Price Futures Group. "It's impacting all commodities."

This week, both benchmarks hit their lowest since early January, after the US government sharply lowered its estimate of job employers added this year through March, raising fears of a possible recession.

On Friday, Mr. Powell endorsed easing the Fed's policies, saying further cooling in the job market would be unwelcome. He also expressed confidence inflation was within reach of the US central bank's 2% target.

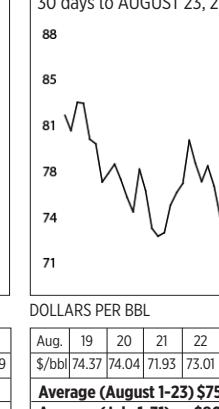
ASIA-DUBAI (AUGUST CONTRACT)

30 days to AUGUST 23, 2024



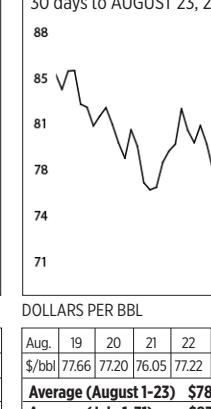
NEW YORK-WTI (OCTOBER CONTRACT)

30 days to AUGUST 23, 2024



LONDON-BRENT (OCTOBER CONTRACT)

30 days to AUGUST 23, 2024



Morgan Stanley said in a note on Friday that a drawdown in oil inventories has somewhat supported oil prices.

"For now, the balance in the oil market is tight, with inventories drawing approximately 1.2 million barrels per day in the last four weeks, which we expect will continue in the balance of [the third quarter]," the bank said.

Recent data from China, the top oil importer, has pointed to a struggling economy and slowing oil demand from refiners. A renewed push for a ceasefire in Gaza between Israel and Hamas has also helped ease supply worries and weighed on oil prices.

US and Israeli delegations started a new round of meetings in Cairo on Thursday to resolve differences over a truce proposal.

Ceasefire talks to stop the war in Gaza have reduced fears the conflict would impact crude oil supplies. — **Reuters**

US stocks surge on Sept. interest rate cut hopes

NEW YORK — US stocks rallied on Friday as dovish remarks from US Federal Reserve Chair Jerome Powell solidified expectations that the central bank will cut its key policy rate in September.

In highly anticipated comments before the Jackson Hole Economic Symposium, Mr. Powell said "the time has come" to lower the Fed funds target rate, and "the upside risks of inflation have diminished."

"We do not see or welcome further weakening in labor market conditions," Mr. Powell added in a speech that appeared to all but guarantee a rate cut at next month's policy meeting, which would be the first such cut in over four years.

"The Fed is clearly turning to the dovish camp and Powell has made it crystal clear that September will be the start of multiple rate cuts coming the remainder of this year," said Ryan Detrick, chief market strategist at Carson Group in Omaha, Nebraska.

All three major US stock indexes jumped after the release of

Mr. Powell's prepared remarks, with mega-caps Nvidia, Apple, and Tesla providing the most muscle.

Small-caps and regional banks were outperformers, rising 3.2% and 4.9%, respectively.

All three indexes logged weekly advances, standing on the shoulders of last week's largest Friday-to-Friday percentage gains of the year.

Next week, the data-dependent Fed will have a raft of economic indicators to consider ahead of its September rate decision, includ-

ing the Commerce department's revised second-quarter GDP and its broad-ranging Personal Consumption Expenditures (PCE) report, which includes the Fed's preferred inflation yardstick, the PCE price index.

The Dow Jones Industrial Average rose 462.30 points or 1.14% to 41,175.08; the S&P 500 gained 63.97 points or 1.15% to 5,634.61; and the Nasdaq Composite added 258.44 points or 1.47% to 17,877.79.

All 11 major sectors in the S&P 500 ended the session in

positive territory, with real estate shares boasting the largest percentage gain, rising 2%.

Workday beat quarterly revenue expectations and announced a \$1-billion stock buyback plan, sending shares of the human resources software firm up 12.5%, the biggest percentage gainer on the Nasdaq.