

Gold Weekly Snapshot

November 13, 2023



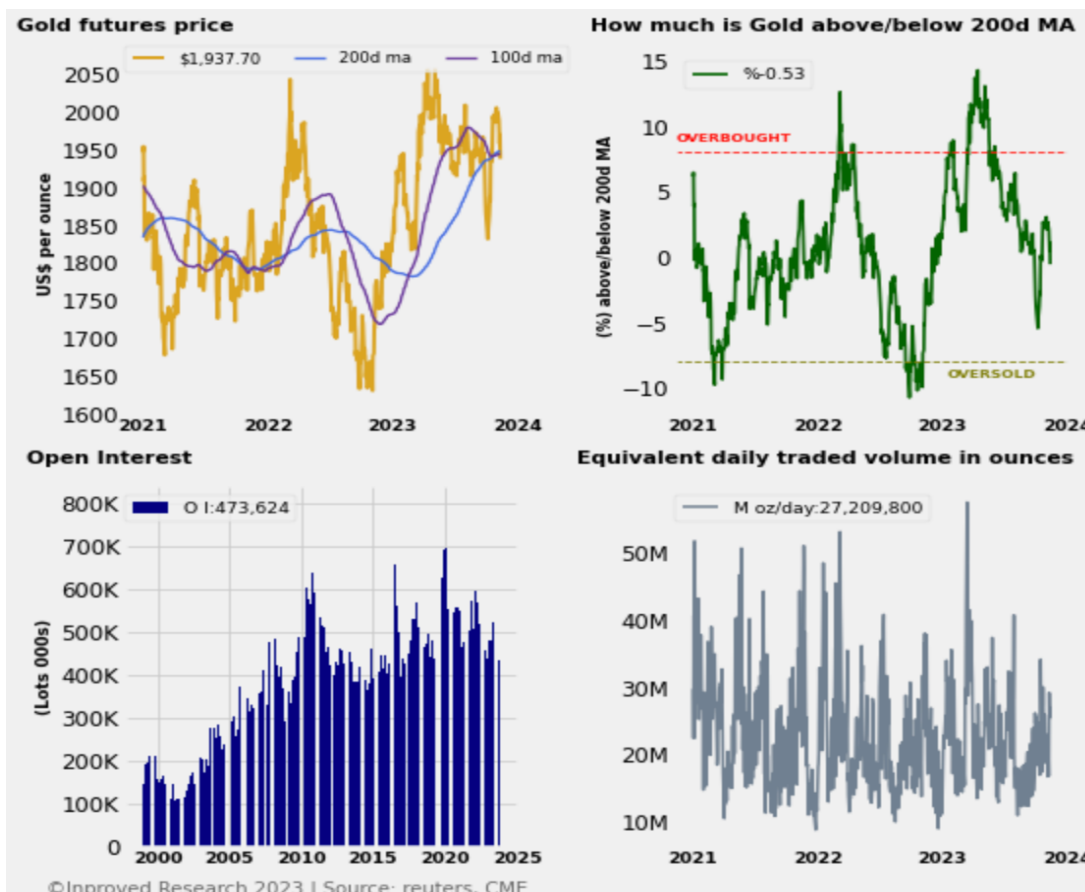
Gold hasn't been immune to a sudden price pullback across the precious metal complex, despite lower yields.

- Fed officials, including J. Powell sounded more hawkish in their battle with inflation and an easing of tensions in the middle east both impacting the metal, while the 'Magnificent' 7 remain the safe haven for now...
- Gold futures settled lower on Friday dropping \$32 an ounce closing the week at \$1,937 per ounce or -3.10%.
- Week to-Week Open Interest decreased by 12,292 lots or 1.23 M ounces as traders booked gains.
- COT report will be delayed due to the federal holiday, but be sure, money managers (funds) have trimmed their net-long positions.
- Gold options are tentatively pricing in a smaller risk of escalation in the Middle East as the metal skew recedes from a 7-month high.

Hugo Pascal
Precious metals trader
hpascal@inproved.com

Johnson Koh
johnsonkoh@inproved.com

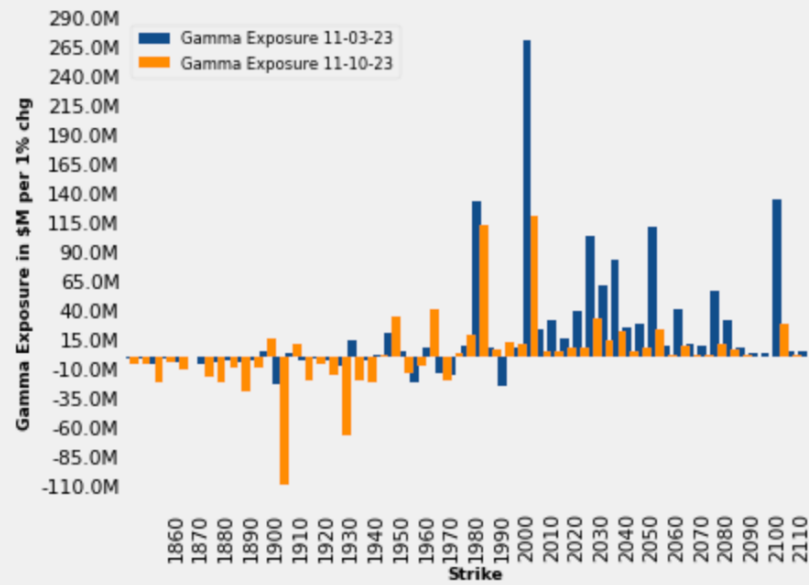
Despite Friday's losses, futures prices retained the closely watched 200 D moving average, and remain 2% away from \$1,900, an important floor for the metal.



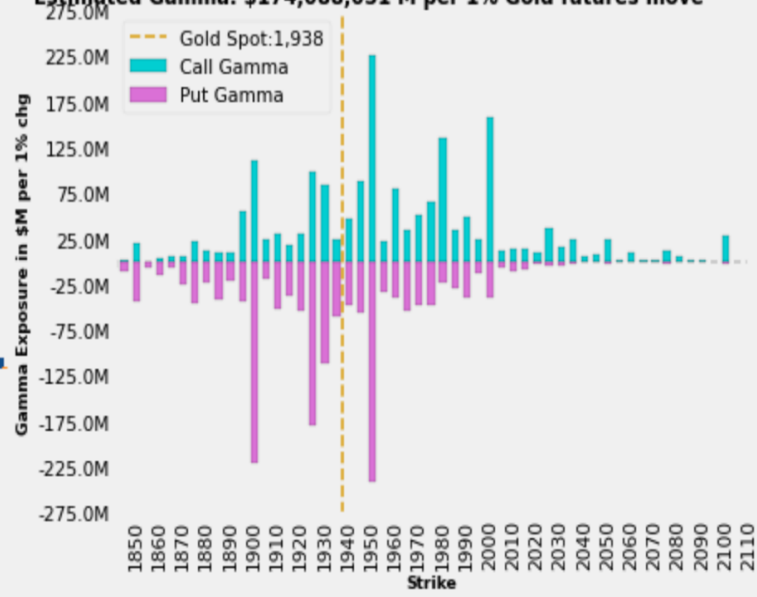
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Derivatives Matter...

Week-to-Week change in Gamma Gold Dec'23



Estimated Gamma: \$174,088,051 M per 1% Gold futures move



Traders took advantage of a lower volatility to roll down their puts to lower Out of The Money strikes on the Dec'23 contract while trimming their long bets.

 **Downside targets** \$1,925 \$1,900

 **Upside targets** \$1,950 \$1,980