

Riteshkumar Sahu (riteshkumar.sahu@kotak.com), Abhijit Chavan (chavan.abhijit@kotak.com)

September 19, 2025

Gold holds firm on monetary easing prospects; Crude oil struggles with inventory build and weak demand

Spot gold traded near \$3,655 on Friday, set for its fifth consecutive weekly gain, as the Federal Reserve's first rate cut of the year fueled optimism over further easing. The Fed lowered its benchmark rate by 25 basis points and signaled openness to additional cuts, though policymakers emphasized caution amid persistent inflation pressures. Chair Jerome Powell framed the move as a risk-management step in response to a softening labor market, noting that future policy will remain data-dependent. Traders are still pricing in almost two more rate cuts this year, with the expectation of Fed monetary easing a major catalyst in bullion's 39% surge this year. Market expectations remain elevated, with CME FedWatch tool showing a 92% probability of another 25-bp cut in October. Beyond Fed policy, gold continues to benefit from robust central bank purchases and safe-haven demand amid global uncertainties.

WTI crude oil slipped below \$62.60 per barrel on Friday as persistent demand concerns outweighed optimism from the U.S. Federal Reserve's first rate cut of the year. While lower borrowing costs typically support consumption, the EIA and other agencies flagged risks of slowing global demand, limiting upside momentum. Short-lived support from the Fed's move, President Trump's calls to halt Russian crude purchases, and Ukrainian strikes on energy assets faded quickly. On the supply side, OPEC+ output policies and elevated U.S. fuel inventories pressured sentiment, with distillate stockpiles rising by 4 million barrels against expectations of 1 million. Domestic economic softness, highlighted by weakening labor market data and a slump in housing construction, further weighed on outlook. Meanwhile, Russia's fiscal adjustments to absorb sanctions and Trump's preference for lower oil prices eased supply disruption fears. Markets now await Trump's scheduled call with China's Xi Jinping for signals on trade tensions.

Base metals traded mixed on Friday, with most metals on the MCX moving lower except copper, which inched up to around ₹905/kg. Copper prices have continued to firm on resilient Chinese demand and earlier supply inflows to the US, though growth in renewables-driven consumption in China is showing signs of slowing in the second half of the year. Markets are watching for fresh cues from the upcoming call between U.S. President Donald Trump and Chinese President Xi Jinping, while copper prices rebounded from a one-week low as lower prices encouraged Chinese buyers to restock ahead of the holiday break.

U.S. natural gas futures extended losses on Friday to trade near \$2.92/MMBtu, following a sharp 5% drop in the previous session after the EIA reported a larger-than-expected storage build. Inventories rose by 90 bcf for the week ending September 12, surpassing estimates of 81 bcf and well above both last year's 56 bcf and the five-year average of 74 bcf. Mild weather across key regions reduced heating and cooling demand, enabling higher injections. LNG exports also eased, with flows to U.S. export facilities averaging 15.7 bcfd in September versus 15.8 bcfd in August. On supply, Lower 48 output averaged 107.4 bcfd, slightly below August's record 108.3 bcfd.

| Date | IST | Currency | Forecast | Previous |
|-------------|-----|----------|----------|----------|
| 19-Sep-2025 | | | No data | |

Source: Forexfactory

Evening Track

| | Commodity | Support 3 | Support 2 | Support 1 | LTP | Resistance 1 | Resistance 2 | Resistance 3 |
|-------------|---------------------|-----------|-----------|-----------|---------|--------------|--------------|--------------|
| Commodities | Spot Gold | 3598.3 | 3631.0 | 3641.1 | 3657.5 | 3673.8 | 3683.9 | 3716.6 |
| | MCX Gold Oct | 108040 | 108779 | 109007 | 109377 | 109747 | 109975 | 110714 |
| | Spot Silver | 41.03 | 41.70 | 41.91 | 42.24 | 42.58 | 42.78 | 43.46 |
| | MCX Silver Dec | 125019 | 126805 | 127357 | 128250 | 129143 | 129695 | 131481 |
| | MCX Copper Sep | 893.4 | 899.6 | 901.5 | 904.6 | 907.7 | 909.6 | 915.8 |
| | MCX Zinc Sep | 272.2 | 274.9 | 275.8 | 277.2 | 278.5 | 279.4 | 282.1 |
| | MCX Lead Sep | 181.2 | 182.1 | 182.4 | 182.9 | 183.3 | 183.6 | 184.5 |
| | MCX Aluminium Sep | 254.7 | 256.6 | 257.2 | 258.2 | 259.1 | 259.7 | 261.6 |
| | MCX Nickel Oct | 1294.2 | 1310.7 | 1315.8 | 1324.0 | 1332.2 | 1337.3 | 1353.8 |
| | MCX Crude Oil Oct | 5399 | 5481 | 5506 | 5547 | 5588 | 5613 | 5695 |
| | MCX Natural Gas Sep | 245.34 | 252.45 | 254.65 | 258.20 | 261.75 | 263.95 | 271.06 |
| | MCX Electricity Sep | 3675.38 | 3740.96 | 3761.21 | 3794.00 | 3826.79 | 3847.04 | 3912.62 |

Source: Bloomberg, KS Commodity Research

Please See Disclosure/Disclaimer at end of the report

| MCX Crude oil Oct 25 | | | | | |
|----------------------|--------|--------|--------|--------|-----------------------------|
| S2 | S1 | Pivot | R1 | R2 | BEARISH |
| 5493.7 | 5520.3 | 5560.7 | 5587.3 | 5627.7 | TRADING RANGE : 5518 - 5615 |



Source: Trading View

RATING SCALE FOR DAILY REPORT

| | |
|-----------------|--|
| BUY | We expect the commodity to deliver 1% or more returns |
| SELL | We expect the commodity to deliver (-1%) or more returns |
| SIDEWAYS | We expect the commodity to trade in the range of (+/-)1% |

NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any

FUNDAMENTAL RESEARCH TEAM

| | |
|----------------------------|-------------------------|
| Anindya Banerjee | Head of Research |
| Kaynat Chainwala | AVP, Commodity Research |
| Riteshkumar Sahu | Agri-Complex |
| Saish Sawant Dessai | Base Metals |

TECHNICAL RESEARCH TEAM

| | | | | |
|----------------|----------------|------------------|--------------|------------|
| Abhijit Chavan | Jimesh Chauhan | Durgesh Ugawekar | Nikesh Kumar | Gyan Singh |
|----------------|----------------|------------------|--------------|------------|

Disclosure/Disclaimer

Kotak Securities Limited established in 1994, is a subsidiary of Kotak Mahindra Bank Limited. Kotak Securities is one of India's largest brokerage and distribution house.

Kotak Securities Limited is a corporate trading and clearing member of BSE Limited, National Stock Exchange of India Limited (NSE), Metropolitan Stock Exchange of India Limited (MSE), National Commodity and Derivatives Exchange (NCDEX) and Multi Commodity Exchange (MCX). Our businesses include stock broking, services rendered in connection with distribution of primary market issues and financial products like mutual funds and fixed deposits, depository services and Portfolio Management.

Kotak Securities Limited is also a depository participant with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Kotak Securities Limited is also registered with Insurance Regulatory and Development Authority as Corporate Agent for Kotak Mahindra Old Mutual Life Insurance Limited and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI). We are registered as a Research Analyst under SEBI (Research Analyst) Regulations, 2014.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However, SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advise/warning/deficiency letters or levied minor penalty on KSL for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time. We offer our research services to clients as well as our prospects.

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions. This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of present and prospective clients of Kotak Securities Ltd.

We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed. Neither Kotak Securities Limited, nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may rise or fall. Past performance is not a guide for future performance. Certain transactions -including those involving futures, options and other derivatives involve substantial risk and are not suitable for every investor. Reports based on technical analysis centers on studying charts of price movement and trading volume, as opposed to focusing on fundamentals. The views provided herein are general in nature and does not consider risk appetite or investment objective of particular investor; readers are requested to take independent professional advice before investing. The Report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Kotak Securities Limited does not provide any promise or assurance of favorable view for a particular commodity in any manner. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and take professional advice before investing.

Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Kotak Securities Limited is not engaged in proprietary trade in commodities and the views mentioned in the report are not in any manner influenced by self-interest of Kotak Securities Limited or the individual Research Analyst.

We and our affiliates/associates, officers, directors, and employees, Research Analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker or act as advisor or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. The views provided herein are general in nature and does not consider risk appetite or investment objective of particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with KSL. Kotak Securities Limited is also a Portfolio Manager. Portfolio Management Team (PMS) takes its independent investment decisions

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the securities if any and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

No part of this material may be duplicated in any form and/or redistributed without Kotak Securities' prior written consent. Details of Associates are available on website i.e. www.kotak.com

1. "Note that the research analysts contributing to the research report may not be registered/qualified as research analysts with FINRA; and

2. Such research analysts may not be associated persons of Kotak Mahindra Inc. and therefore, may not be subject to NASD Rule 2711 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account

Any U.S. recipients of the research who wish to effect transactions in any security covered by the report should do so with or through Kotak Mahindra Inc. (Member FINRA/SIPC) and (ii) any transactions in the securities covered by the research by U.S. recipients must be effected only through Kotak Mahindra Inc. (Member FINRA/SIPC) at 369 Lexington Avenue 28th Floor NY 10017 USA (Tel: +1 212-600-8850).

Kotak Securities Limited and its non US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non US issuers, prior to or immediately following its publication. This material should not be construed as an offer to sell Kotak Securities Limited and its non US affiliates may, to the extent permissible under applicable laws, have acted on or used this research to the extent that it relates to non US issuers, prior to or immediately following its publication. This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. This research report and its respective contents do not constitute an offer or invitation to purchase or subscribe for any securities or solicitation of any investments or investment services. Accordingly, any brokerage and investment services including the products and services described are not available to or intended for Canadian persons or US persons."

Research Analyst has served as an officer, director or employee of Subject Company: NA

We or our associates may have received compensation from the subject company, if any in the past 12 months: NA

We or our associates may have managed or co-managed public offering of securities for the subject company (ies) in the past 12 months: NA

We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company, if any in the past 12 months: NA

We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company, if any in the past 12 months: NA

We or our associates may have received any compensation or other benefits from the Subject Company if any or third party in connection with the research report: NA.

Our associates may have financial interest in the subject company(ies) if any: NA

Research Analyst or his/her relative's financial interest in the subject company (ies)/securities: No

Kotak Securities Limited has financial interest in the subject company (ies) at the end of the week immediately preceding the date of publication of Research Report: No

'However, Kotak Securities Prop/Arbitrage team could have exposure/financial interest to the subject company/companies during the ongoing month.'

'Nature of financial interest is holding of equity shares and/or derivatives of the subject company.'

Our associates may have actual/beneficial ownership of 1% or more securities at the end of the month immediately preceding the date of publication of Research Report.

Research Analyst or his/her relatives has actual/beneficial ownership of 1% or more securities at the end of the month immediately preceding the date of publication of Research Report: No

Kotak Securities Limited has actual/beneficial ownership of 1% or more securities at the end of the month immediately preceding the date of publication of Research Report: No

Subject Company, if any may have been client during twelve months preceding the date of distribution of the research report.: NA

Daily price movement of commodities is available on the following websites:

<https://www.mcxindia.com/market-data/market-watch>

<https://ncdex.com/MarketData/LiveFuturesQuotes.aspx>

https://www.nseindia.com/live_market/dynaContent/live_watch/commodity_der_stock_watch.htm

<https://www.bseindia.com/markets/Commodity/commodity.html>

Our research should not be considered as an advertisement or advice, professional or otherwise. The investor is requested to take into consideration all the risk factors including their financial condition, suitability to risk return profile and the like and take professional advice before investing.

Investments in securities market are subject to market risks, read all the related documents carefully before investing. This information is purely backed by KSL research analyst based on research recommendation. Kotak Securities Ltd has registration granted by SEBI, Enlistment as RA and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Kotak Securities Ltd. Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051. CIN: U99999MH1994PLC134051, Telephone No.: +22 43360000, Fax No.: +22 67132430. Website: www.kotak.com / www.kotaksecurities.com. Correspondence Address: Infinity IT Park, Bldg. No 21, Opp. Film City Road, A K Vaidya Marg, Malad (East), Mumbai 400097. Telephone No: 42856825. SEBI Registration No: INZ000200137(Member of NSE, BSE, MSE, MCX & NCDEX) , AMFI ARN 0164, PMS INP000000258 and Research Analyst INH000000586. NSDL/CDSL: : IN-DP-629-2021. Compliance Officer Details: Mr. Hiren Thakkar Call: 022 - 4285 8484, or Email: ks.compliance@kotak.com. For T&C and disclaimers, Visit <https://bit.ly/longdisc>.

In case you require any clarification or have any query/concern, kindly write to us at Service.securities@kotak.com. For grievances write to KS.escalation@kotak.com and find Grievances Escalation matrix in the link below.

<https://www.kotaksecurities.com/disclaimer/commodities/>