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Gold and Silver hit fresh records as geopolitical risk and rate-cut bets drive flows, Crude Oil pauses after Venezuela supply shock

Spot gold surged to a fresh record on Tuesday, briefly approaching the \$4,500 per ounce, supported by a weaker U.S. dollar and persistent geopolitical risks that continue to underpin safe-haven demand. Gold touched an intraday high of \$4,497.55, marking a gain of over 70% YTD. Silver extended its powerful rally to a new all-time high of \$69.98, outperforming gold with a 142% YTD advance. The U.S. dollar fell for a second consecutive session and is on track for its steepest annual decline since 2017, showing waning confidence in the greenback amid expectations of a more dovish Federal Reserve. Markets are pricing in two rate cuts in 2026, reinforced by reports that Trump may name a new Fed chair early next year. Escalating geopolitical tensions, including U.S. actions against Venezuelan oil shipments, alongside sustained central bank buying, continue to provide strong fundamental support. Precious metals remain fundamentally bullish, with pullbacks likely to attract strong buying interest.

WTI crude oil prices are trading steady near \$58 per barrel as markets balance heightened geopolitical risks against persistently bearish fundamentals. Sentiment has been supported by concerns over potential supply disruptions after the U.S. signaled it may retain or sell Venezuelan crude seized under sanctions, while renewed attacks on Black Sea ports and vessels by Russia and Ukraine have raised risks to regional export flows. However, these bullish headlines continue to conflict with a broader backdrop of weak demand growth and ample global supply. Even a sharp decline in Venezuelan exports is unlikely to tighten markets in early 2026, with global balances still pointing to surplus conditions. Going forward, prices remain under pressure, with rallies likely to fade unless disruptions become prolonged and reduce global supply.

Base metals trade firm, led by zinc, which rose over 1%, while copper held near \$11,970/ton, close to recent record levels. Copper remains on track for its strongest annual performance since 2009, driven primarily by tightening supply conditions. Disruptions at major mines in Chile and Peru, output delays in Indonesia, and a lack of new projects have constrained global concentrate availability. This tightness was further underscored by Chinese smelters agreeing to zero treatment and refining charges for 2026, the lowest on record, highlighting miners' growing leverage. Demand remains resilient, while U.S. tariff concerns have triggered pre-emptive stockpiling, draining inventories elsewhere. Although copper has eased slightly after recent record highs, the broader supply-driven narrative continues to dominate near-term price action.

U.S. natural gas prices are trading steady near \$4.00/mmbtu amid forecast warmer-than-normal weather that are expected to curb near-term heating demand. Commodity Weather projects above-average temperatures across much of the U.S., although the risk of colder conditions later in December across the Midwest, East, and South could provide intermittent support. Fundamentals remain bearish as production stays near record highs, by rising rig counts and the EIA's upward revision to 2025 output. While LNG exports and electricity generation show modest growth, elevated supply and soft demand suggest a range-bound to slightly bearish outlook, with upside risks largely weather-driven.

Date	IST	Currency	Data	Forecast	Previous
23-Dec-2025	19:00	USD	Prelim GDP q/q	3.3%	3.8%
	19:00	USD	Core Durable Goods Orders m/m	0.3%	0.6%
	19:00	USD	Durable Goods Orders m/m	-1.5%	0.5%
	19:00	USD	Prelim GDP Price Index q/q	2.7%	2.1%
	20:30	USD	CB Consumer Confidence	91.7	88.7
	20:30	USD	Richmond Manufacturing Index	-8	-15

Source: Forexfactory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	4390.6	4441.7	4457.5	4483.1	4508.6	4524.4	4575.5
	MCX Gold Feb	135546	136974	137416	138130	138844	139286	140714
	Spot Silver	66.03	67.98	68.58	69.55	70.53	71.13	73.08
	MCX Silver Mar	207095	211852	213322	215700	218078	219548	224305
	MCX Copper Dec	1111.7	1123.6	1127.2	1133.2	1139.2	1142.8	1154.7
	MCX Zinc Dec	298.8	302.4	303.5	305.3	307.1	308.2	311.8
	MCX Lead Dec	181.0	181.8	182.0	182.5	182.9	183.1	183.9
	MCX Aluminium Dec	282.8	284.9	285.6	286.7	287.7	288.4	290.5
	MCX Crude Oil Jan	5123	5192	5214	5248	5282	5304	5373
	MCX Natural Gas Dec	327.17	342.94	347.81	355.70	363.59	368.46	384.23

Source:Bloomberg, KS Commodity Research

Please See Disclosure/Disclaimer at end of the report



Chart Source: Trading view

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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	

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