



# QUARTERLY MARKET UPDATE

31 March 2023

**"Predicting rain doesn't count: building arks does"**

# Noah's Rule Scoring

- 6 elements
- Each element scored between -1 and +1
- Summed together for score between -6 and 6
- Score represents an indication of trend
- Scores at extremes indicate possible extension

*Objective, non-emotional lens in decision-making process*

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## This time last quarter:

- **USD uptrend strength lost, rare Weekly Score Extreme +ves gone**
  - **Yen** bottom found between 1998 and 1990 lows! Both of those were created under conditions of WS extremes. Both led to LT halving of rate!
  - **EUR** lost extreme negative Weekly Score. Last 2 similar extremes stood for 7 and 15 years!
  - **AUD / NZD / CAD / ZAR / BRL** all stronger but all still in –ve Weekly Score
- **Precious scores reversed to positive**
  - AUD & USD gold both +ve WS. Both prices above 200 dma and 200 wma
- Base metals improved but mixed. All above rising 200wma
- Energy weaker and still trending lower in ST/MT
- **Commodity, commodity currency and equity market sentiment remains mixed but is improving**
- **Increased inflation risk still giving way to “Recession Fears”**
  - GSCI held price and improved Score.
  - GSCI vs. Equities consolidated.



### Now:

- **USD working hard to stand still. Uptrend strength lost. DXY now reversed to modest negative Weekly Score (WS).**
  - EUR main winner against USD but only modestly. YEN continues to struggle.
  - AUD / NZD / CAD / ZAR / BRL mostly lower all still in –ve Weekly Score
- **Precious metals built strongly on previous advance.**
  - AUD & USD gold both strong scoring pairs.
  - Both prices above rising 200 dma and 200 wma
- **Base/Bulks mixed.** Cu and Fe solid base building. Ni and Zn struggling for support.
- **Energy mixed.** Coal holding/neutral, Fuels well off into negative WS
- **Commodity, commodity currency and equity market sentiment remains tepid with exception of precious.**
- **Commodity prices not matching either the “Green Future” or “Inflation” narratives.**
  - GSCI falling and back to –ve WS (largely influenced by Oil).
  - GSCI vs. Equities dropped back and into –ve WS – general Equities outperforming!

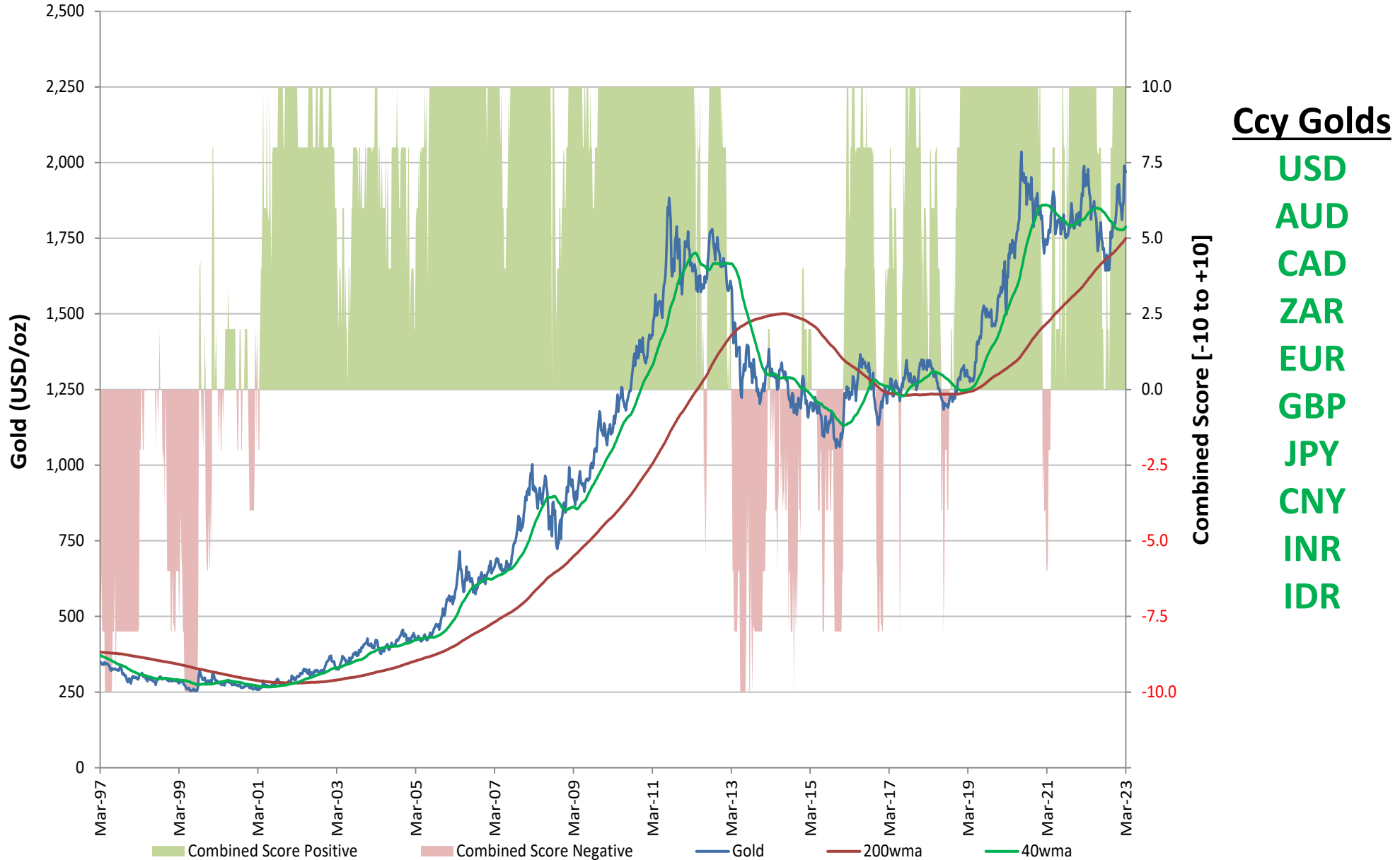


# Market Summary

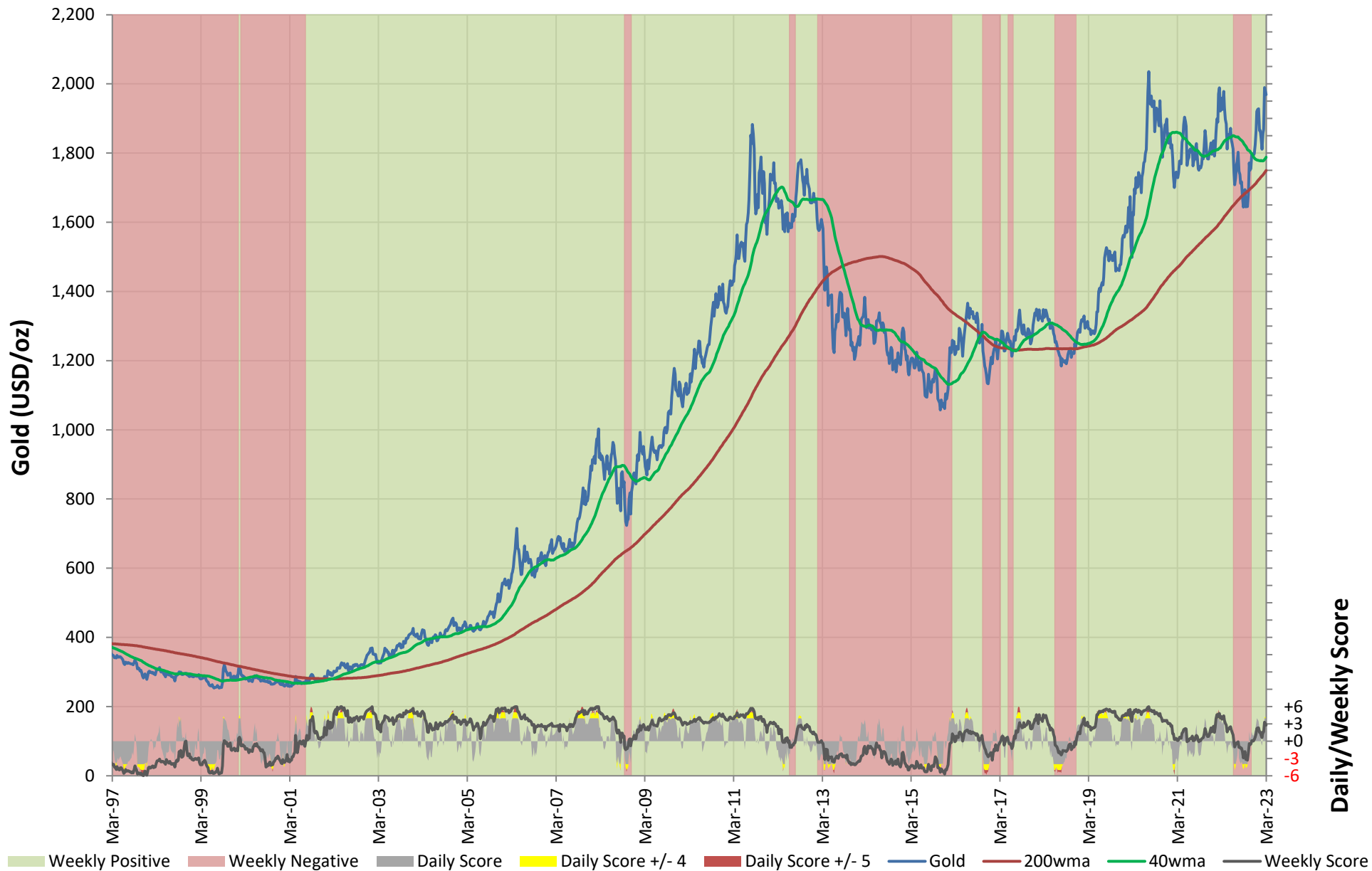
	30-Sep-22				30-Dec-22				31-Mar-23			
	Price	Δ Price since last qtr	Daily	Weekly	Price	Δ Price since last qtr	Daily	Weekly	Price	Δ Price since last qtr	Daily	Weekly
<b>Precious</b>												
Gold	1661	-8.12%	-4.6	-2.4	1824	9.84%	1.9	0.7	1969	7.96%	4.1	2.8
AUDGold	2595	-0.89%	2.4	0.8	2677	3.18%	2.7	1.8	2946	10.03%	5.1	3.8
<b>Base</b>												
Copper	7560	-8.45%	-2.1	-1.7	8372	10.74%	0.6	-0.2	8993	7.42%	1.0	2.4
AUDCopper	11813	-1.26%	0.5	-0.6	12288	4.03%	0.0	0.5	13453	9.47%	3.6	3.4
AUDZinc	4638	1.40%	-1.5	-0.4	4363	-5.92%	-3.4	-1.7	4372	0.20%	-2.9	-1.1
AUDNickel	32980	0.30%	-0.3	0.5	44104	33.73%	1.9	2.2	35659	-19.15%	-1.4	0.7
AUDIronOre	149	-15.66%	-1.9	-1.1	172	15.48%	2.4	-0.4	188	9.30%	1.6	0.8
<b>Energy</b>												
Coal	272	-9.92%	-0.4	-1.2	290	6.30%	-2.3	-0.9	302	4.43%	-2.0	0.1
SGO	119.72	-24.35%	-2.2	1.4	116.11	-3.02%	-2.6	0.2	99.17	-14.59%	-4.9	-1.7
<b>Currencies</b>												
AUDUSD	0.6400	-7.29%	-6.0	-4.1	0.6813	6.45%	0.5	-1.6	0.6685	-1.88%	-1.7	-1.6
NZDUSD	0.5600	-10.31%	-6.0	-5.2	0.6350	13.39%	1.4	-1.5	0.6258	-1.45%	-0.4	-0.7
CADUSD	0.7231	-6.91%	-6.0	-3.6	0.7378	2.03%	-1.9	-2.5	0.7399	0.28%	-1.6	-2.3
EURUSD	0.9802	-6.51%	-4.6	-5.7	1.0705	9.21%	4.1	-1.2	1.0839	1.25%	2.8	1.6
ZARUSD	0.0553	-9.99%	-5.4	-4.6	0.0587	6.15%	0.4	-2.5	0.0562	-4.26%	-0.7	-3.1
BRLUSD	0.1847	-2.93%	-0.9	-1.3	0.1894	2.56%	-1.2	-0.7	0.1975	4.29%	2.0	-0.8
JPYUSD	0.0069	-6.23%	-5.4	-5.8	0.0076	10.39%	3.3	-1.8	0.0075	-1.31%	1.4	-0.8
DXY	112.12	7.10%	5.0	5.7	103.52	-7.67%	-3.0	1.4	102.51	-0.98%	-2.6	-0.3
<b>Indices</b>												
DOW	28726	-6.66%	-5.5	-2.1	33147	15.39%	1.6	1.7	33274	0.38%	1.9	2.0
ALLORDS	6679	-1.01%	-5.0	-1.5	7222	8.13%	0.8	0.6	7373	2.10%	0.3	1.5
GDX	24.12	-11.91%	-3.2	-3.3	28.66	18.82%	0.3	-1.7	32.35	12.88%	4.2	0.1
GSCI	608	-14.31%	-3.3	0.0	610	0.38%	-2.7	0.2	574	-5.91%	-3.3	-1.2



# USD Gold – Global Gold Score



# USD Gold – Red/Green Treatment



Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.

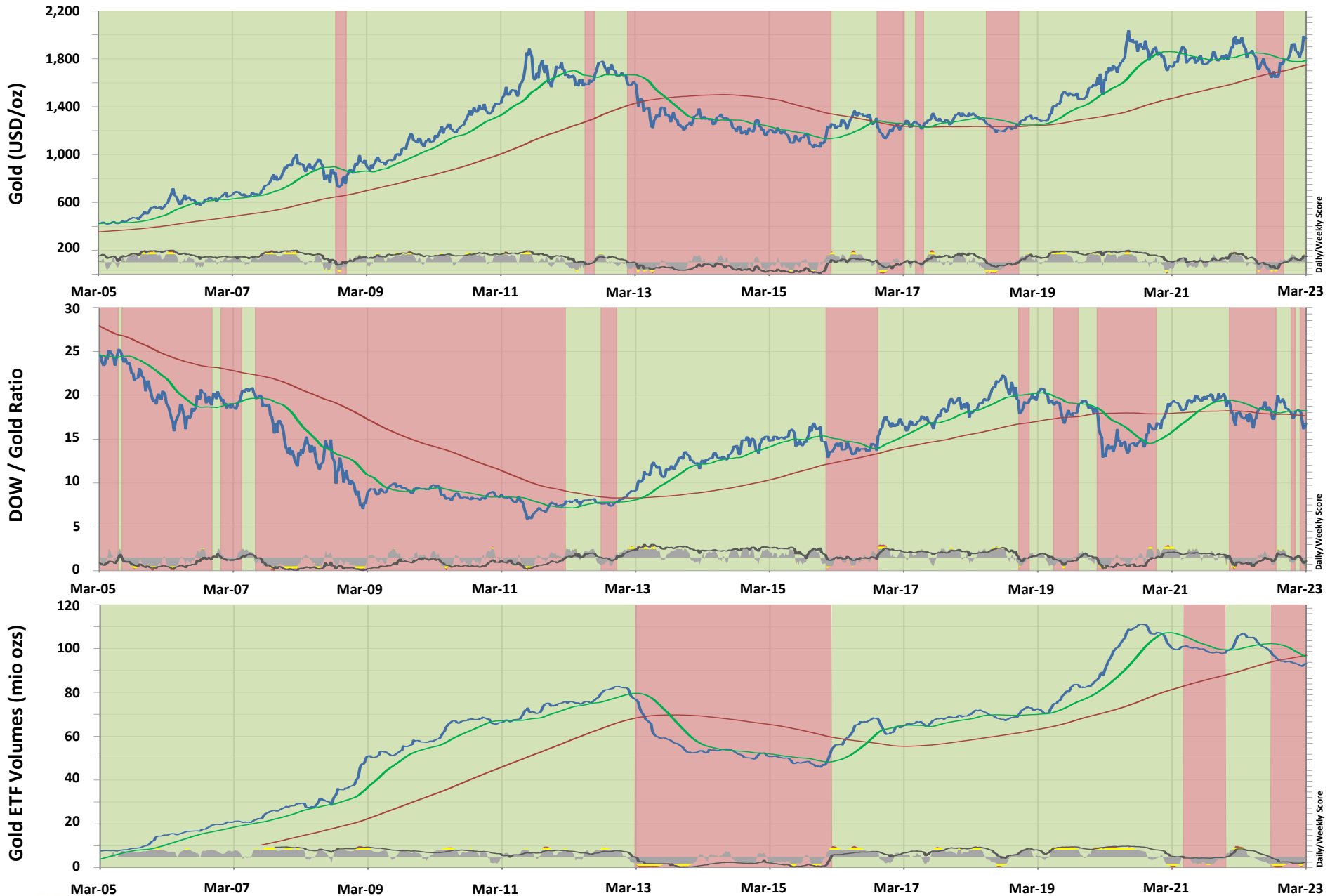


# USD Gold – Paint-the-Line

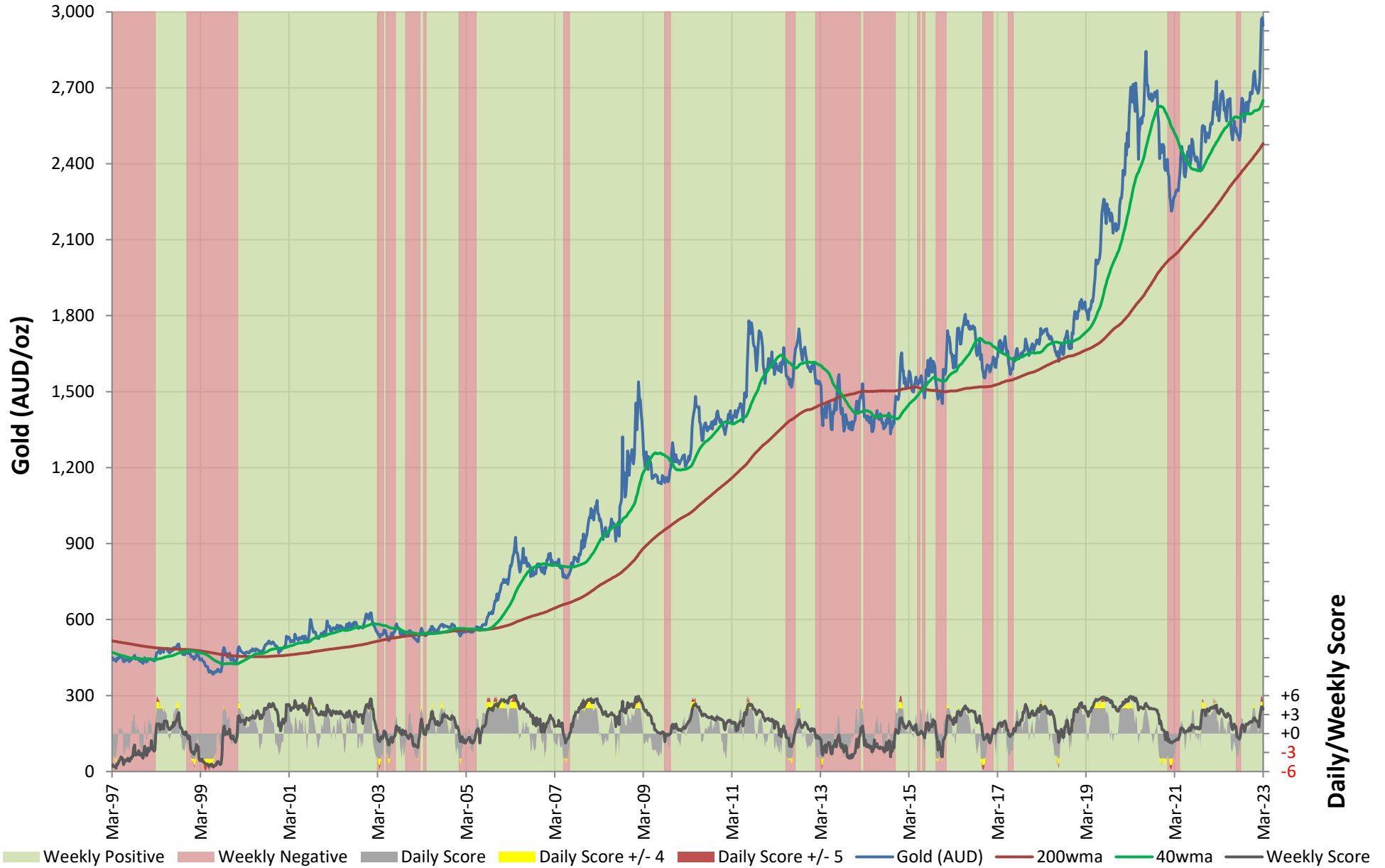




# USD Gold – DOW / Gold Ratio – Gold ETF Volumes



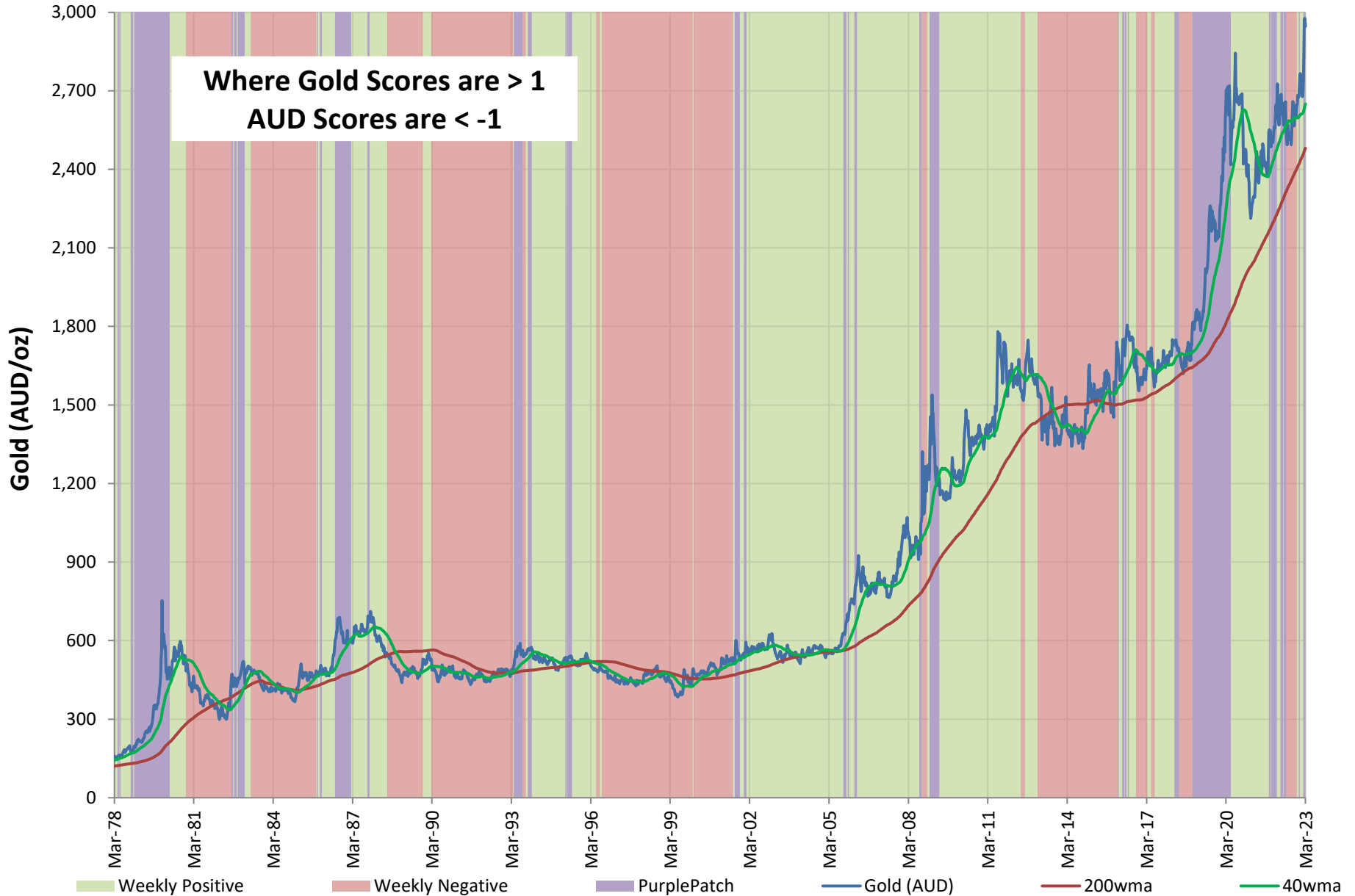
# AUD Gold – Red/Green Treatment



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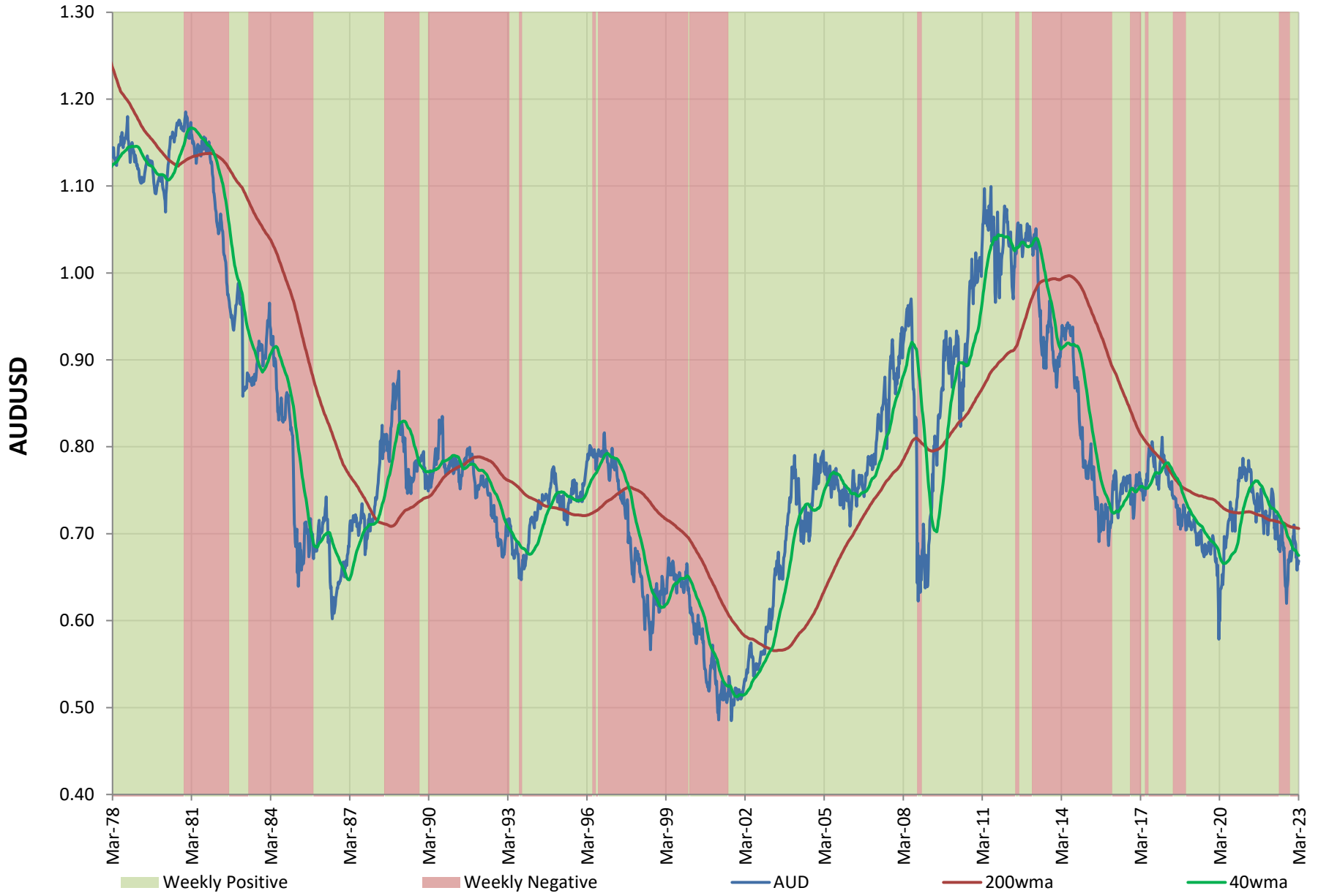
# AUD Gold – USD Gold Background & PurplePatch



Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.



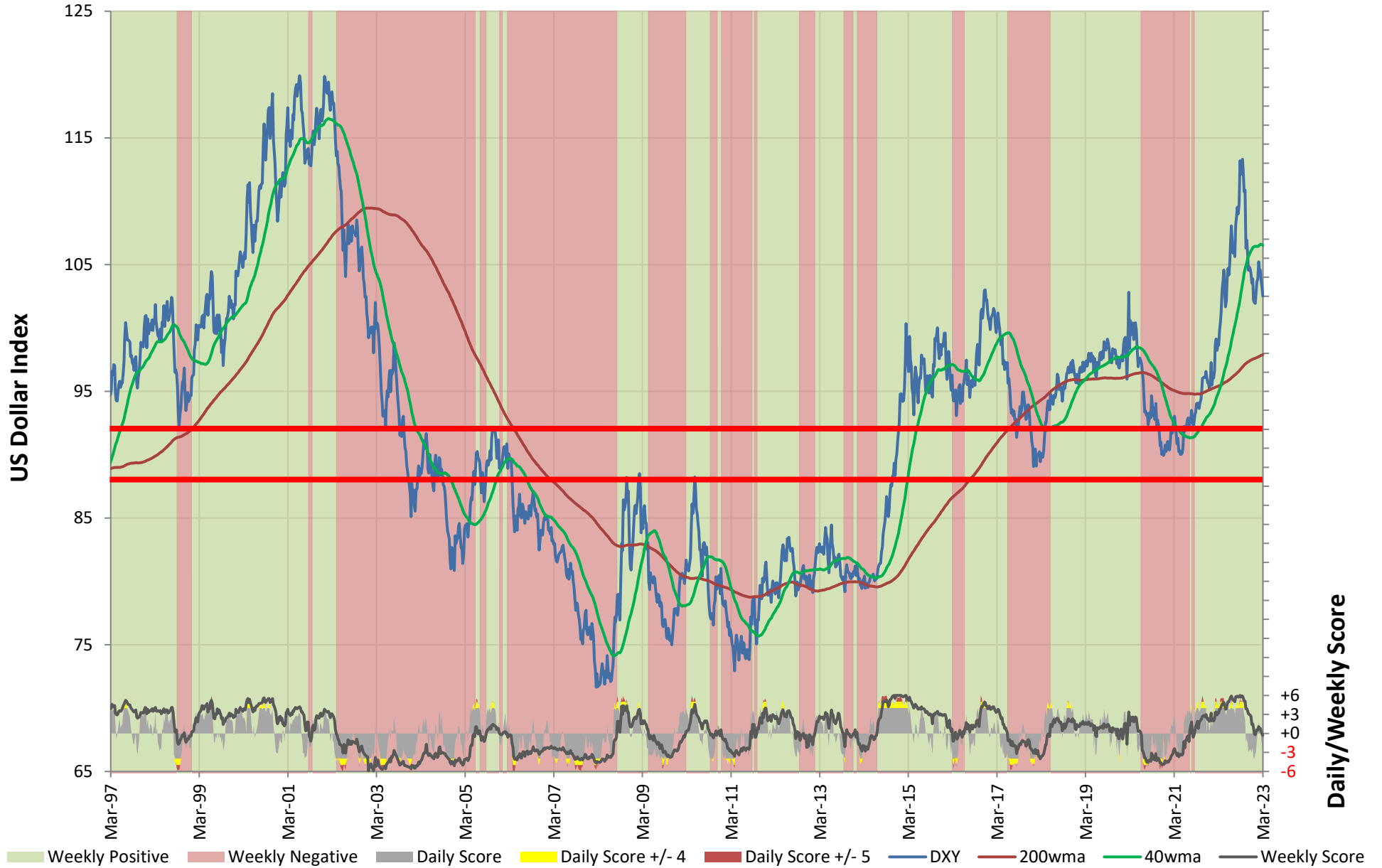
# AUDUSD – USD Gold Background



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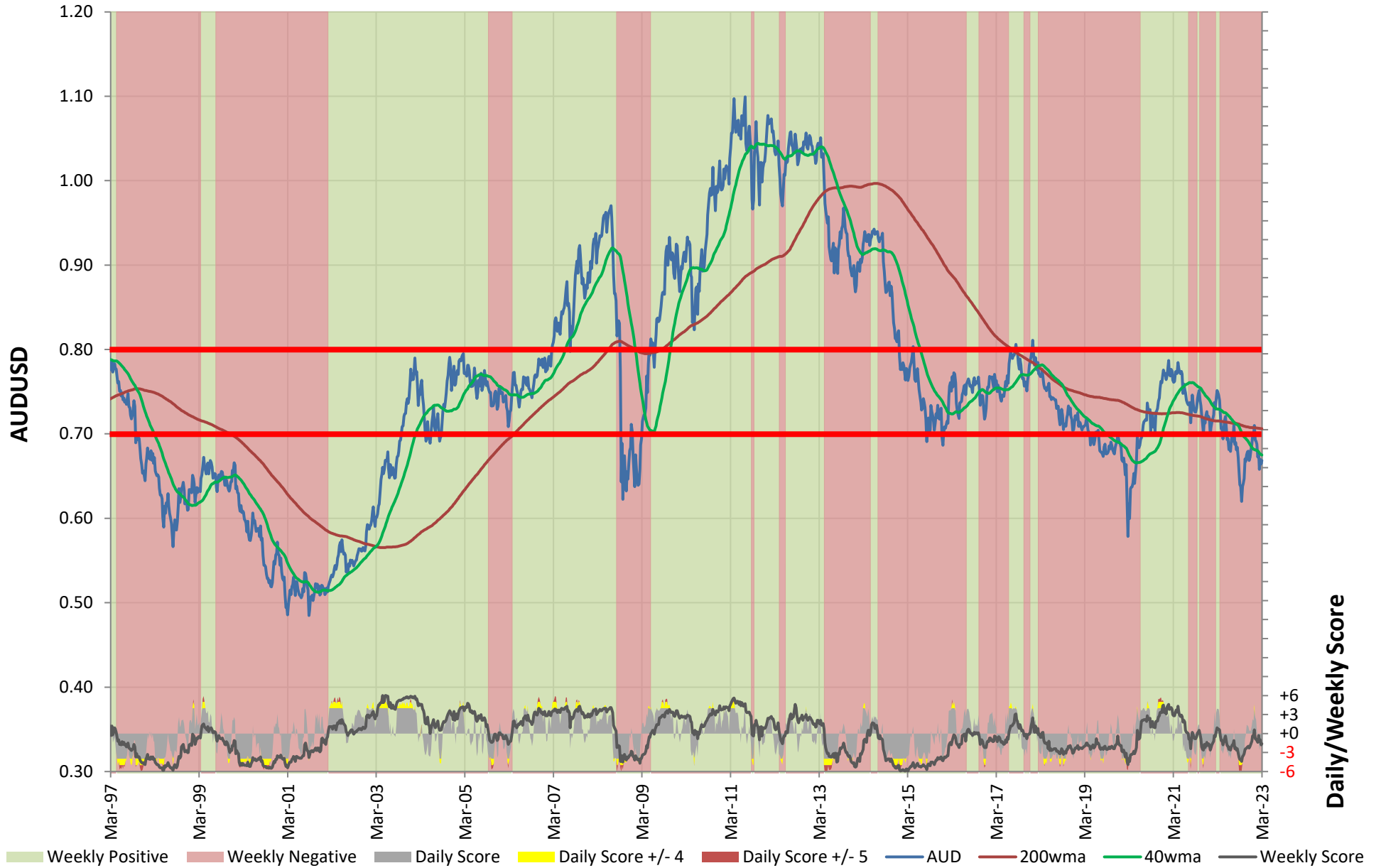
# US Dollar Index – Red/Green Treatment



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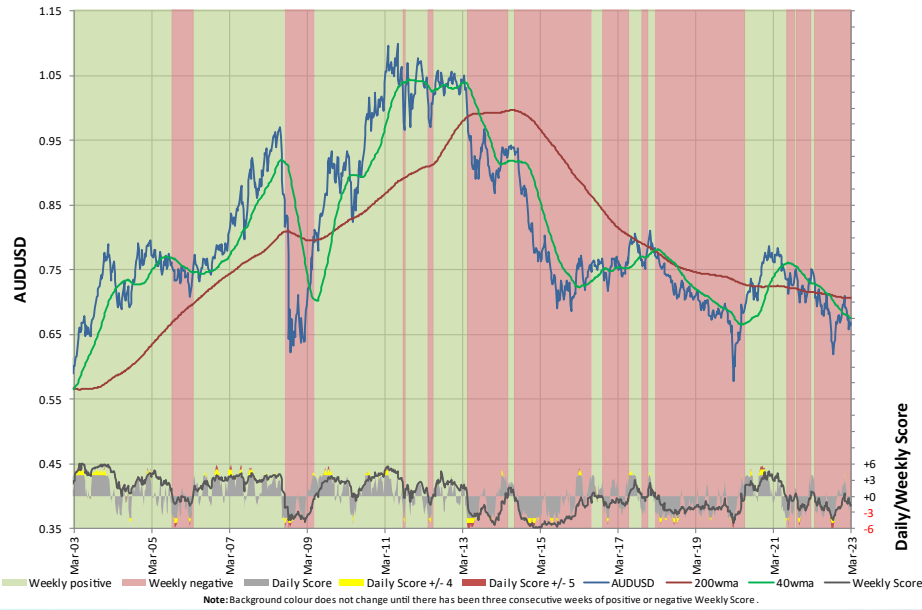
# AUDUSD – Red/Green Treatment



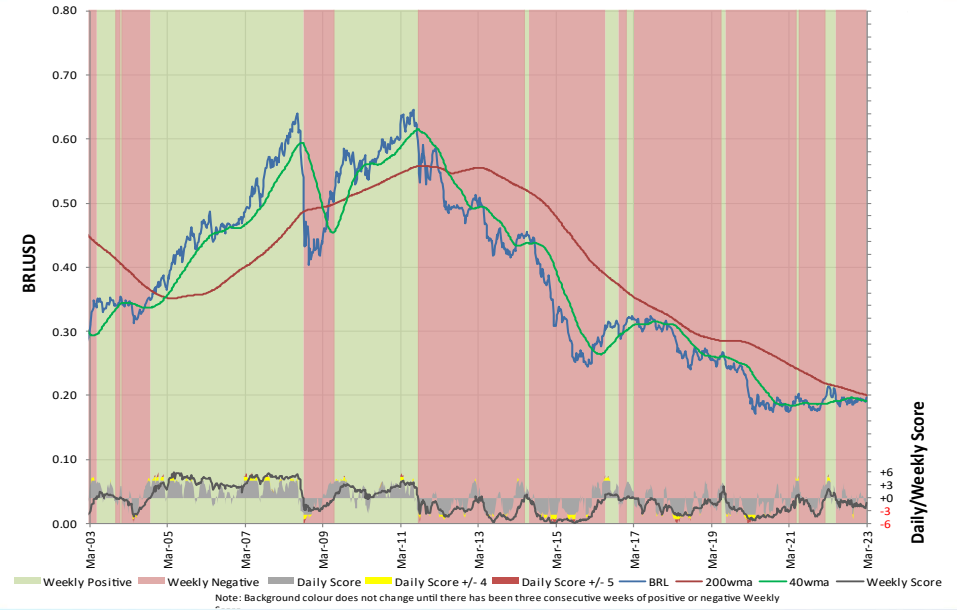
Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.



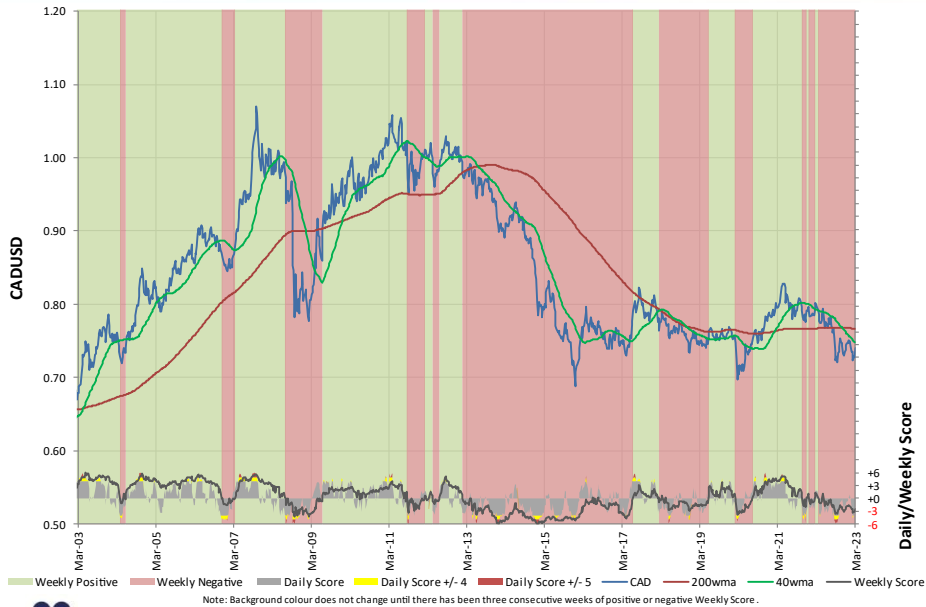
# AUD



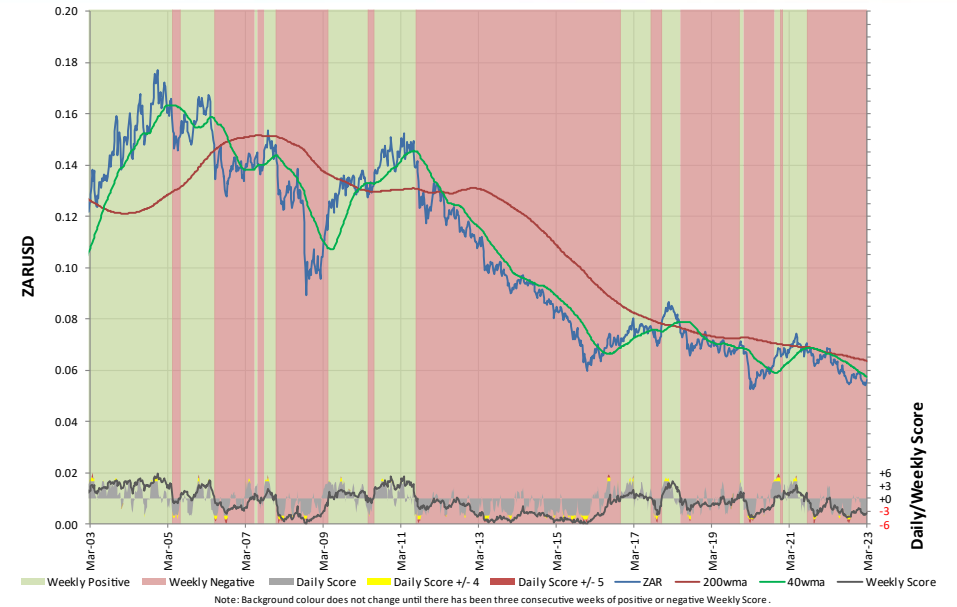
# BRL (quoted inversely)



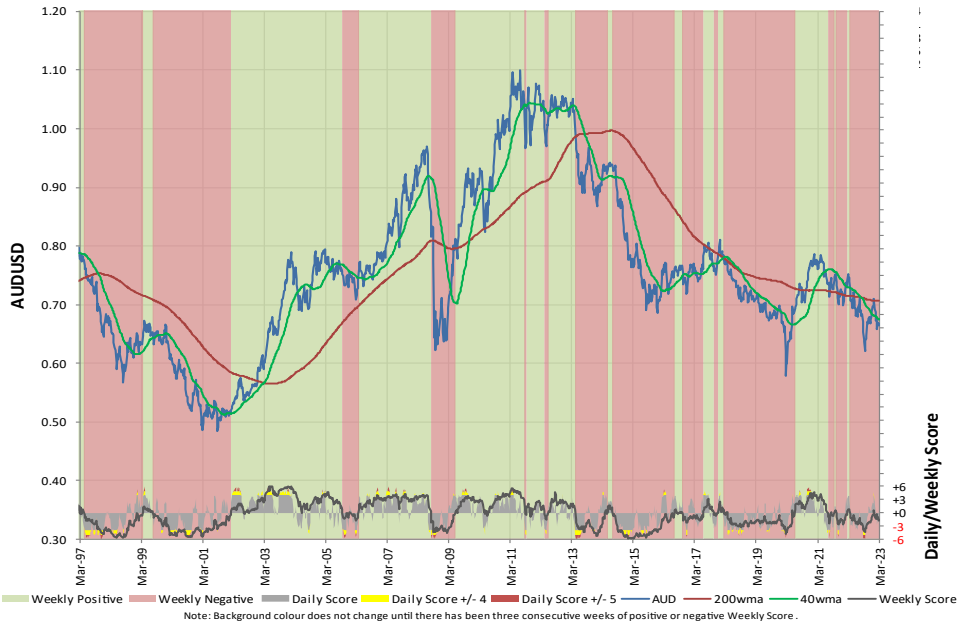
# CAD (quoted inversely)



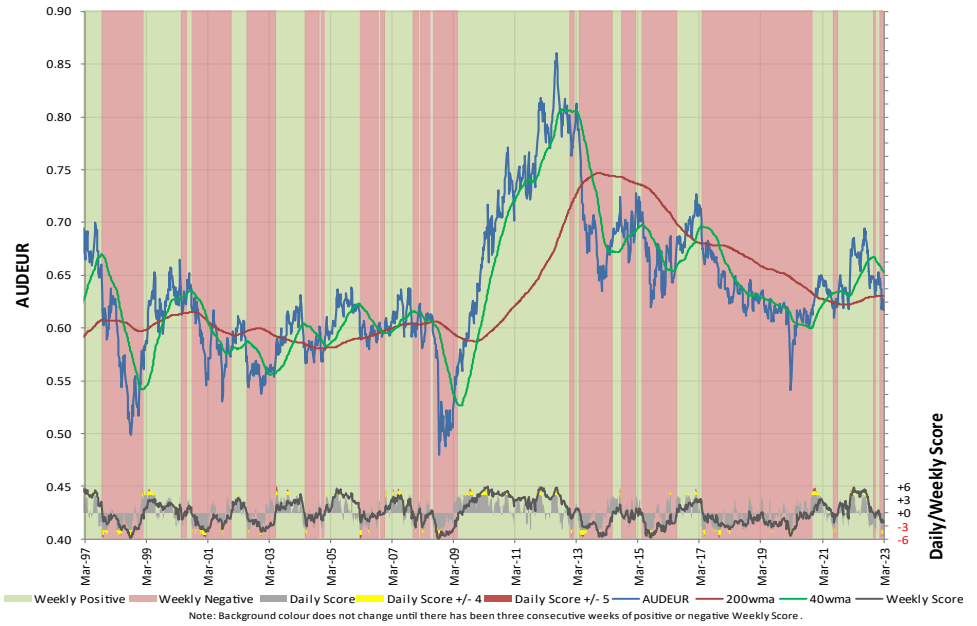
# ZAR (quoted inversely)



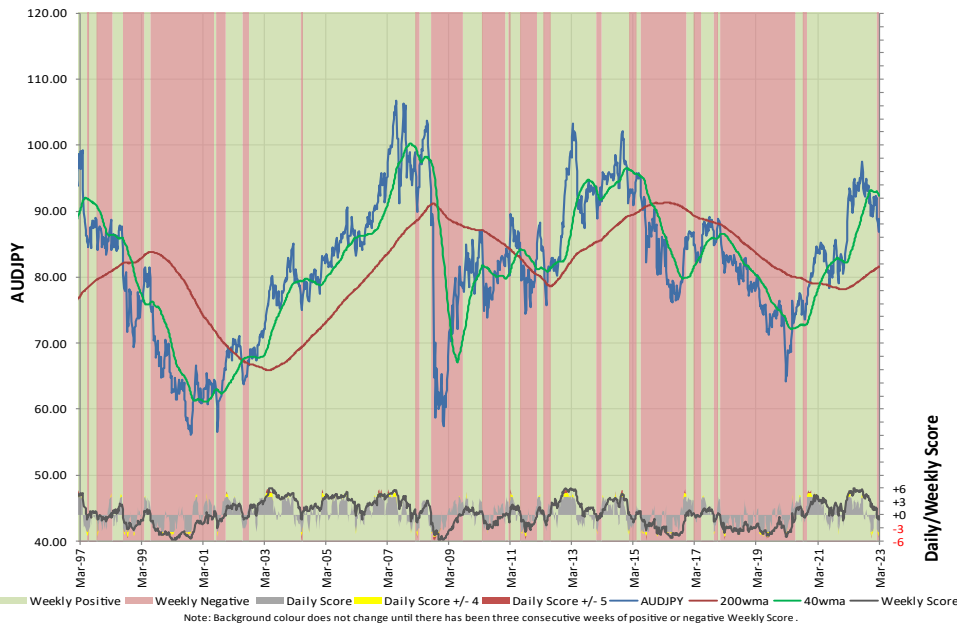
# AUD



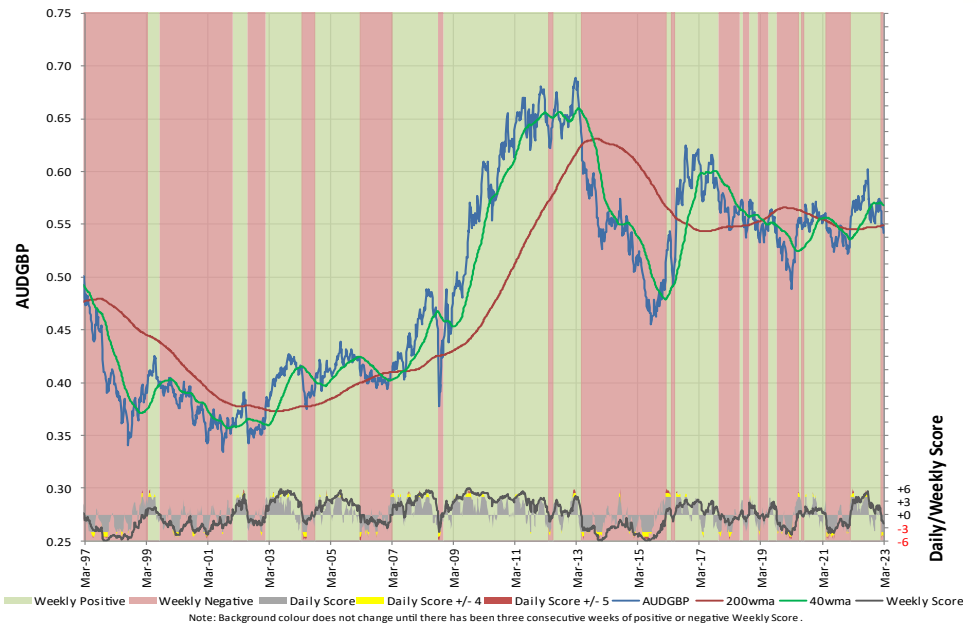
# AUD EUR



# AUD JPY



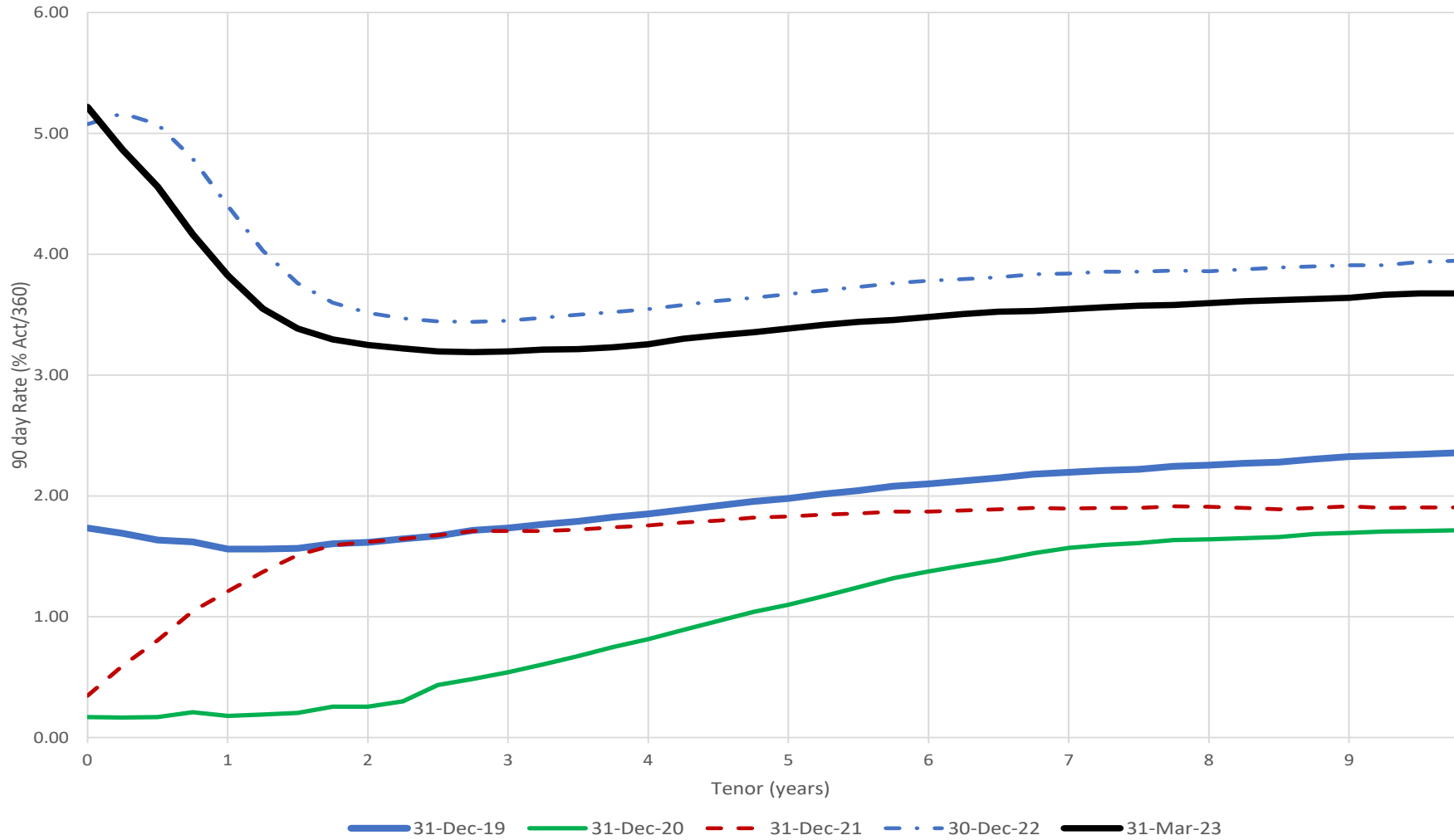
# AUD GBP



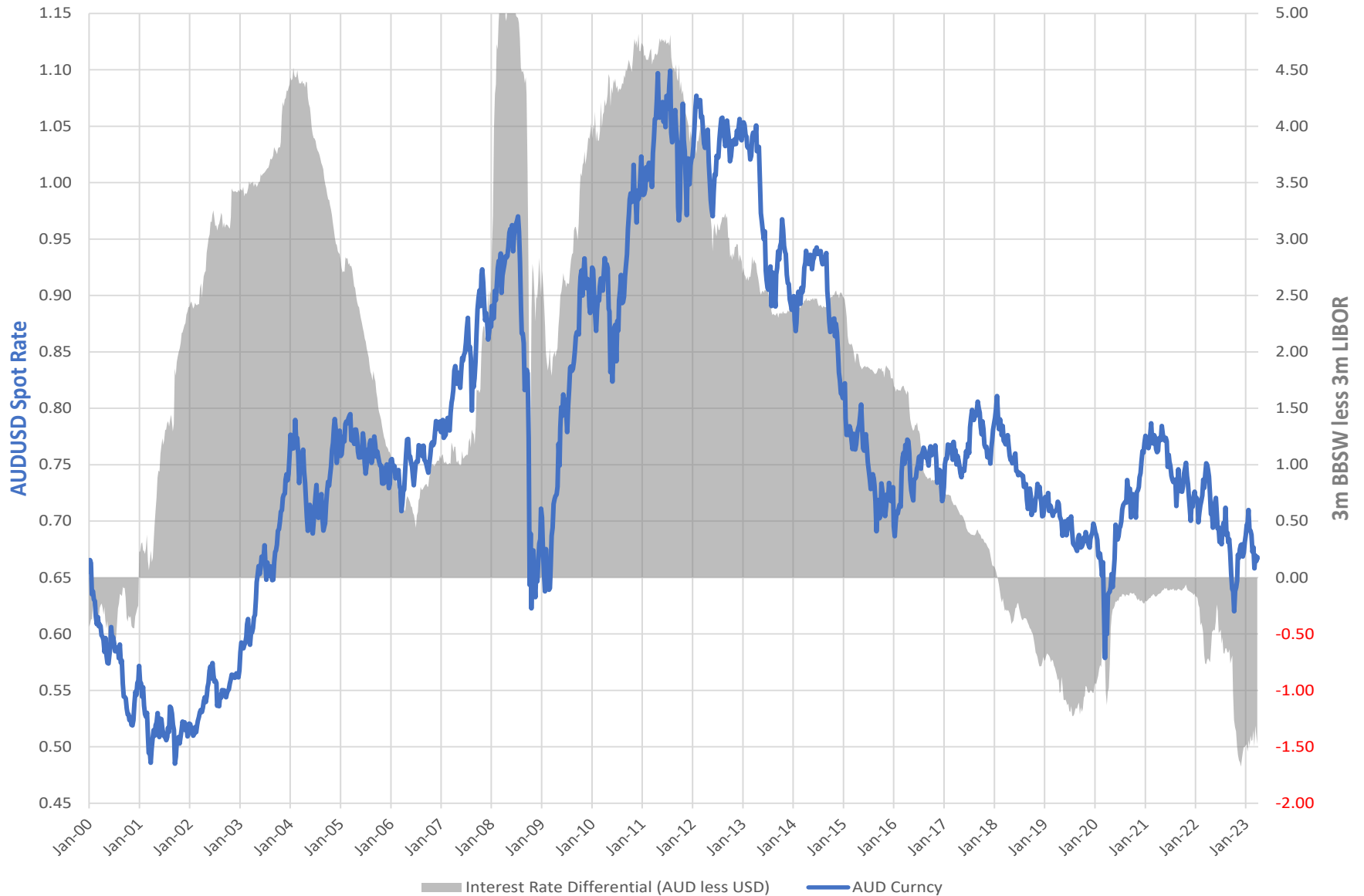


# The Changing Shape of the US Interest Rate Curve

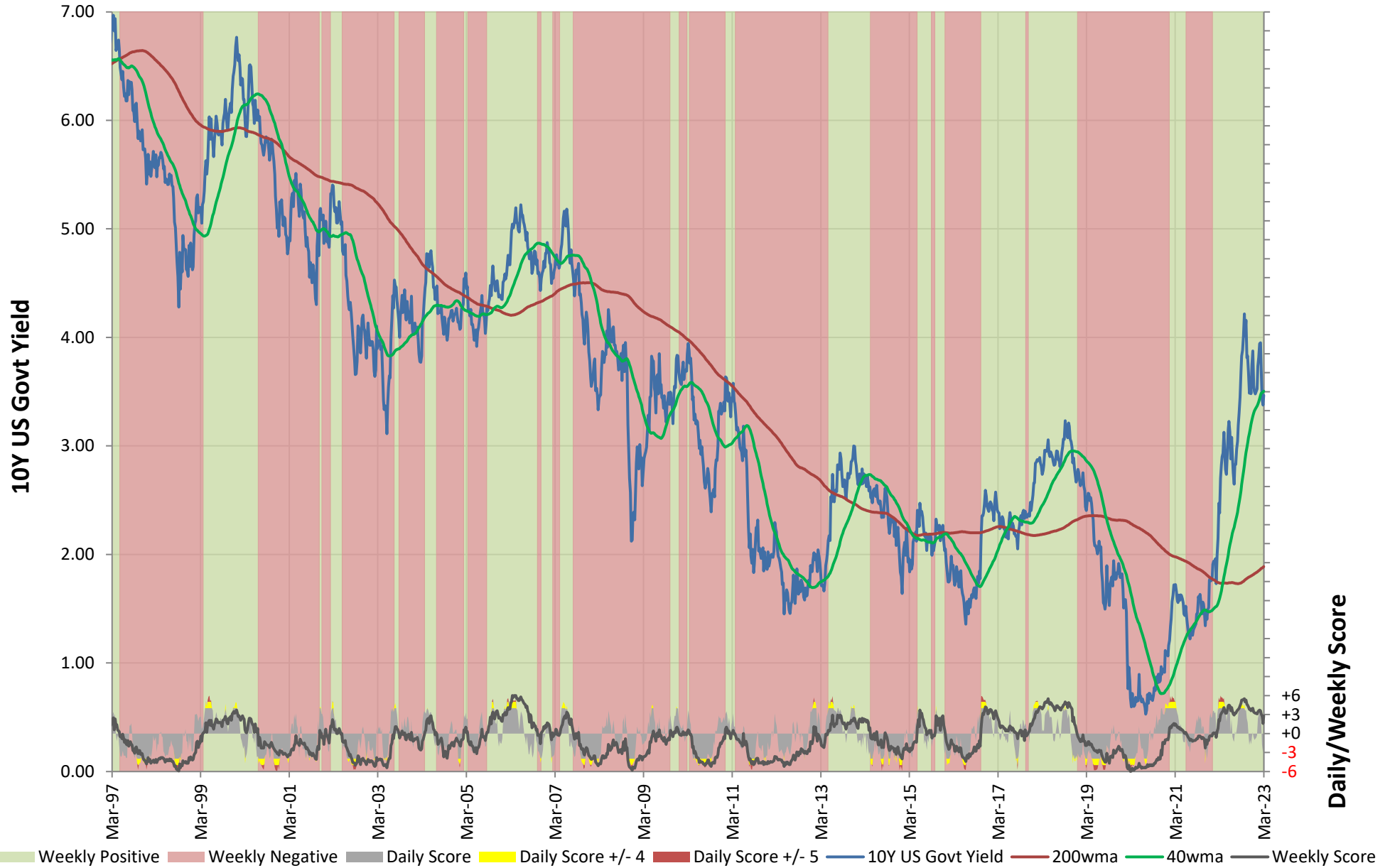
## EURO Futures



# The Australian Dollar and the Interest Rate Differential



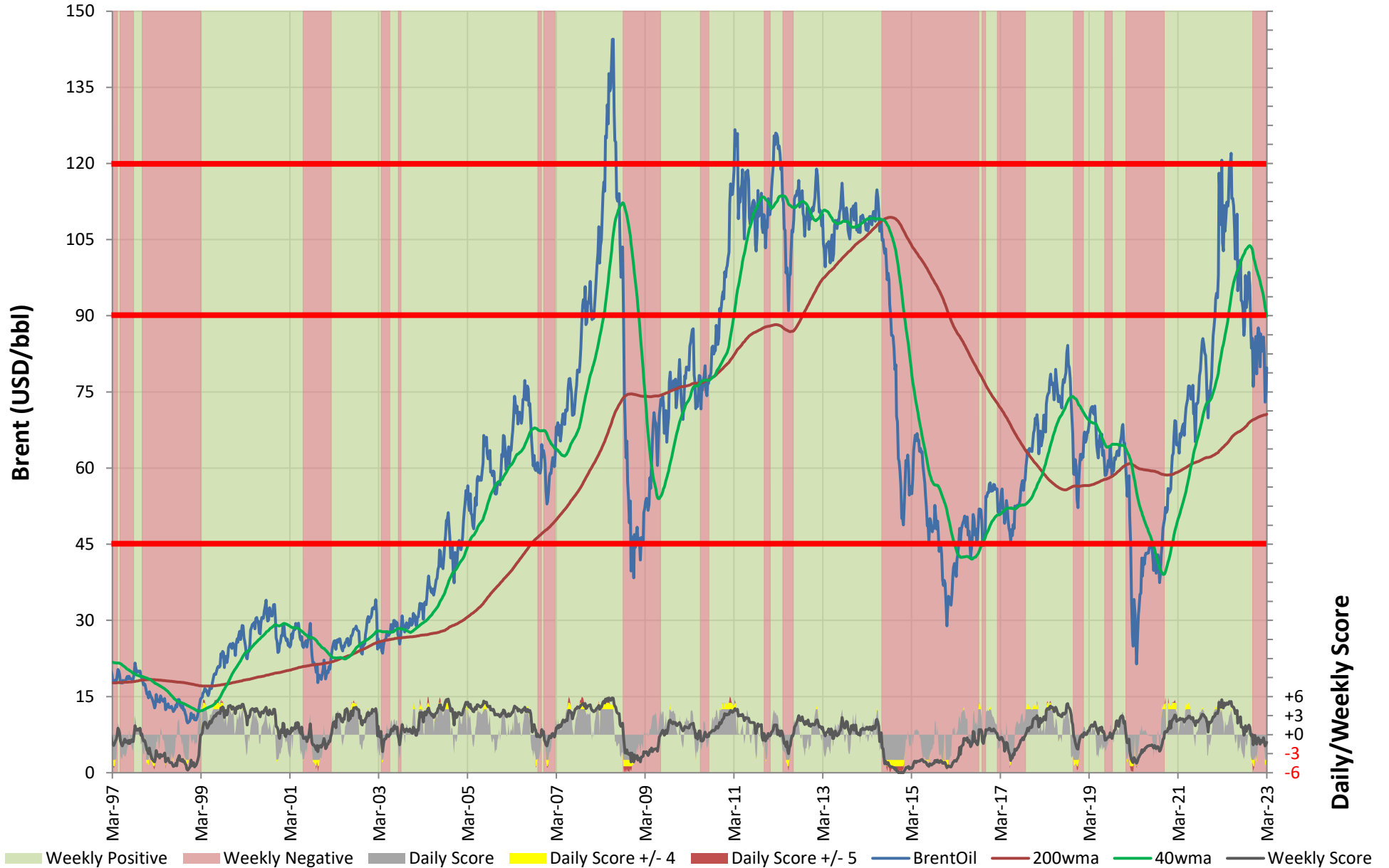
# 10Y US Govt Yield – Red/Green Treatment



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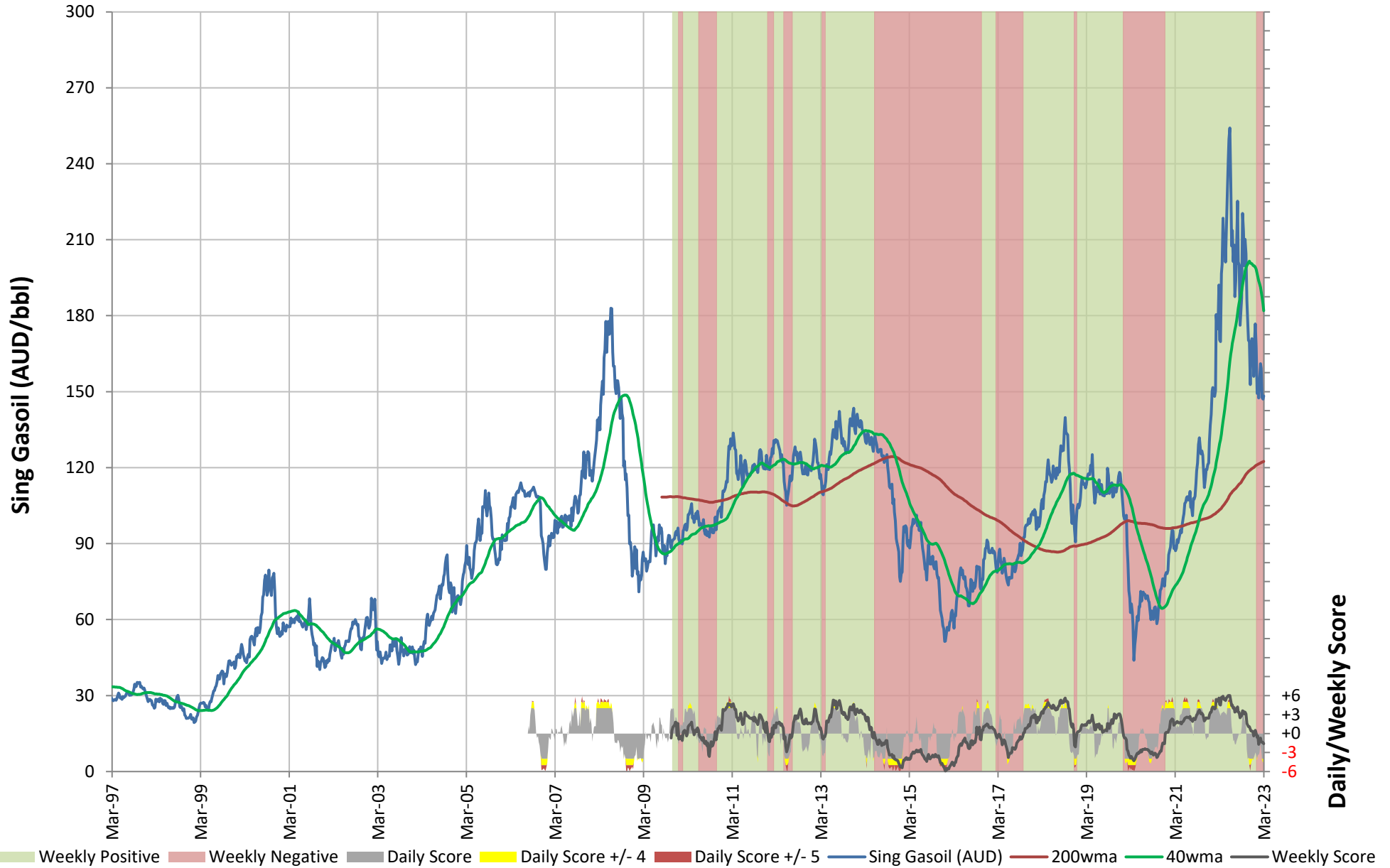
# USD Brent – Red/Green Treatment



Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.



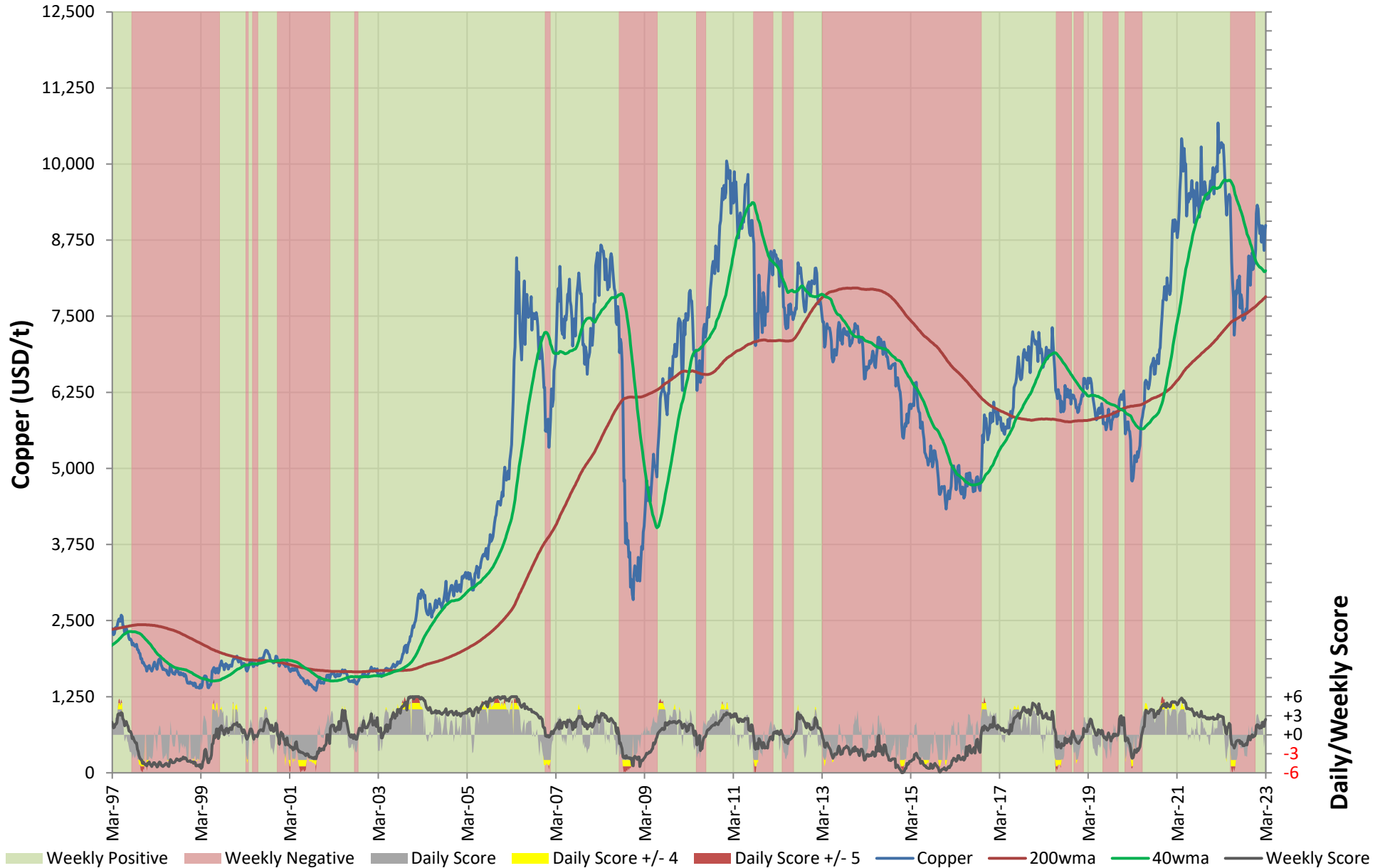
# AUD Sing Gasoil – Red/Green Treatment



Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.



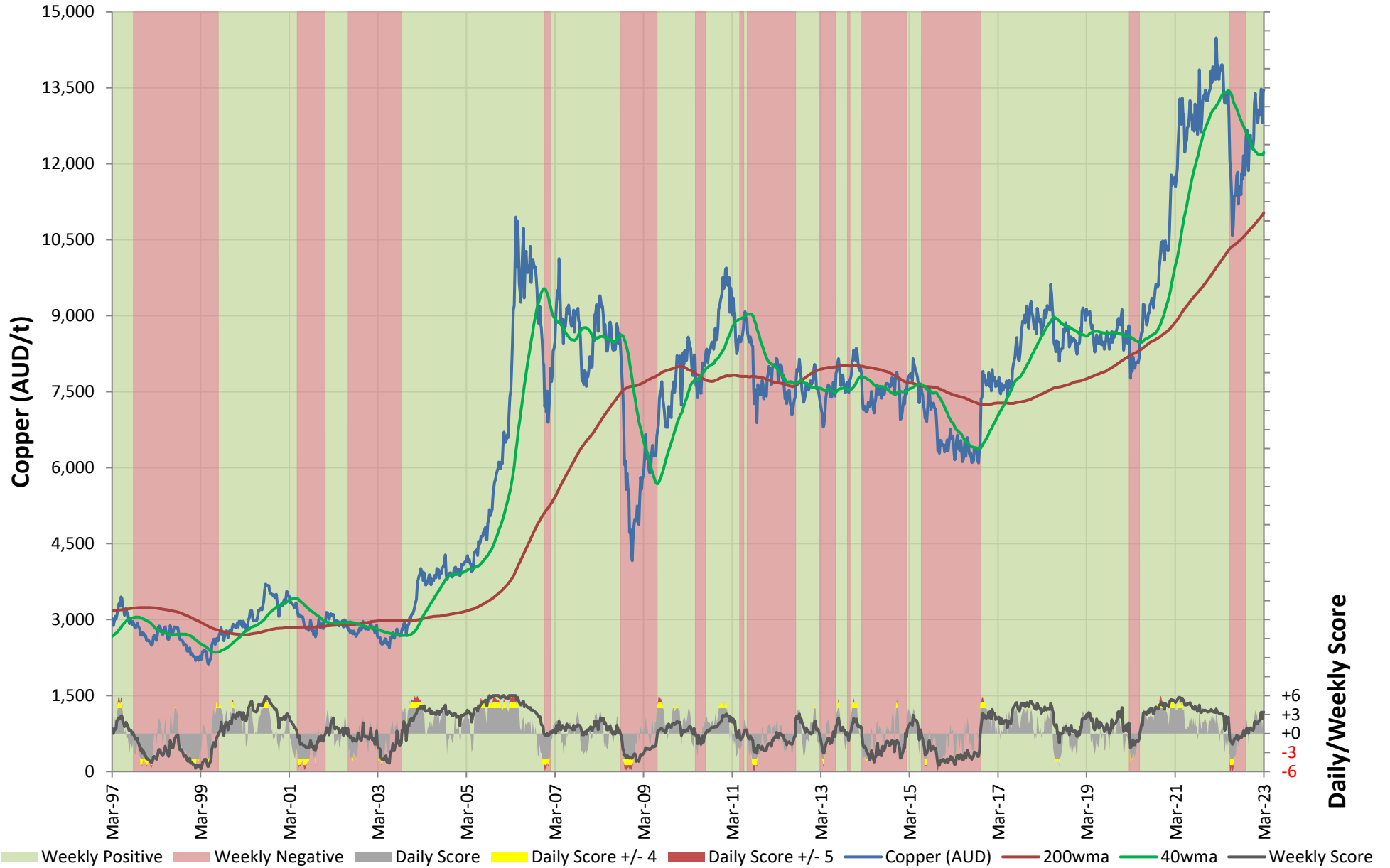
# USD Copper – Red/Green Treatment



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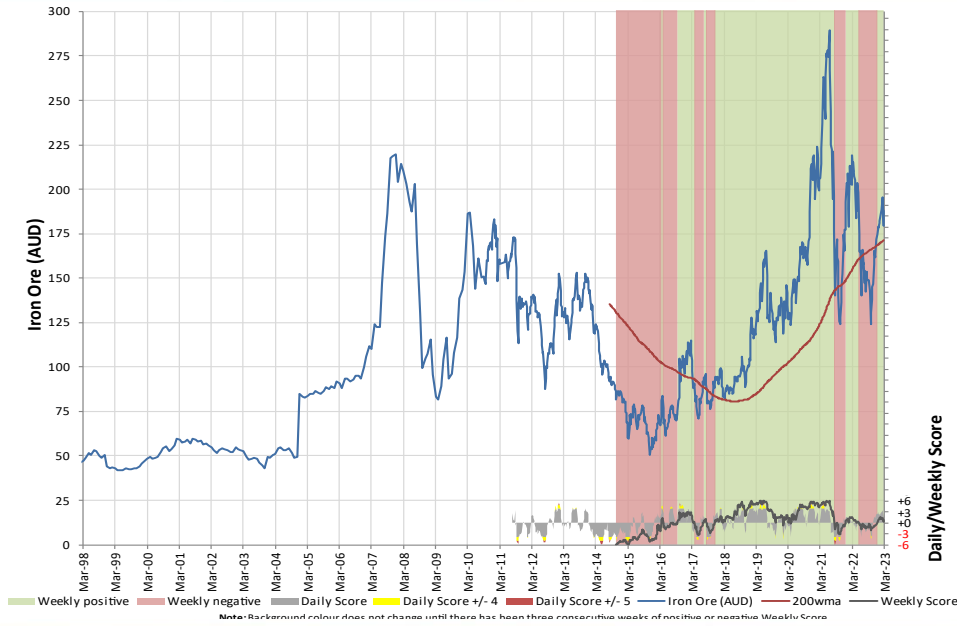
# AUD Copper – Red/Green Treatment



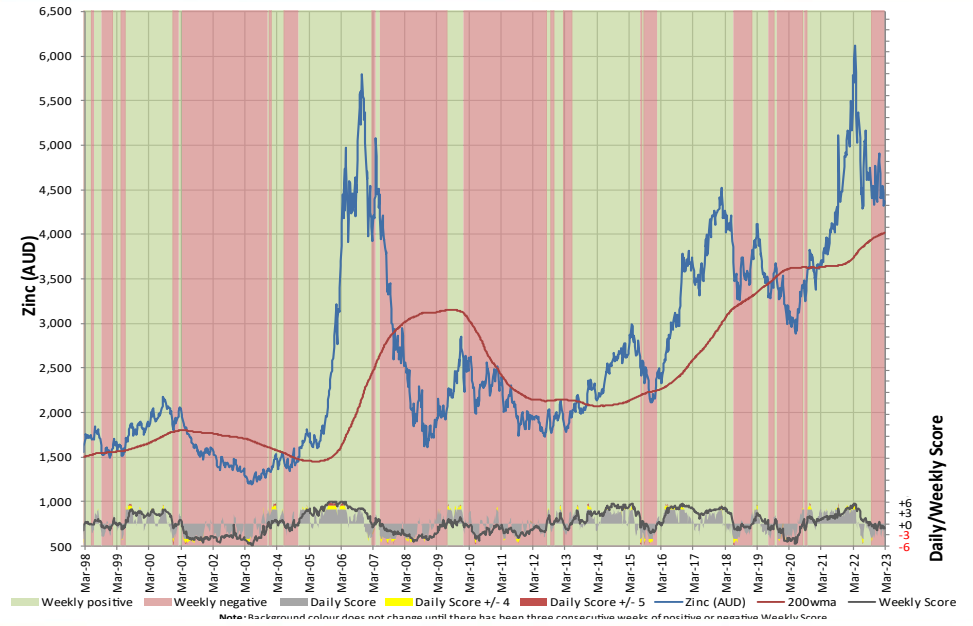
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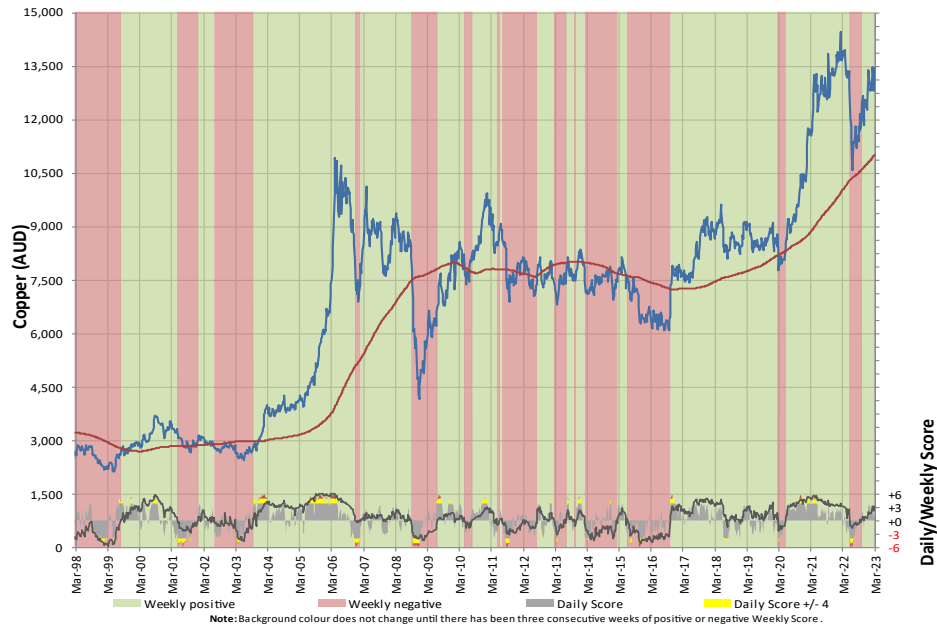
# AUD Iron Ore



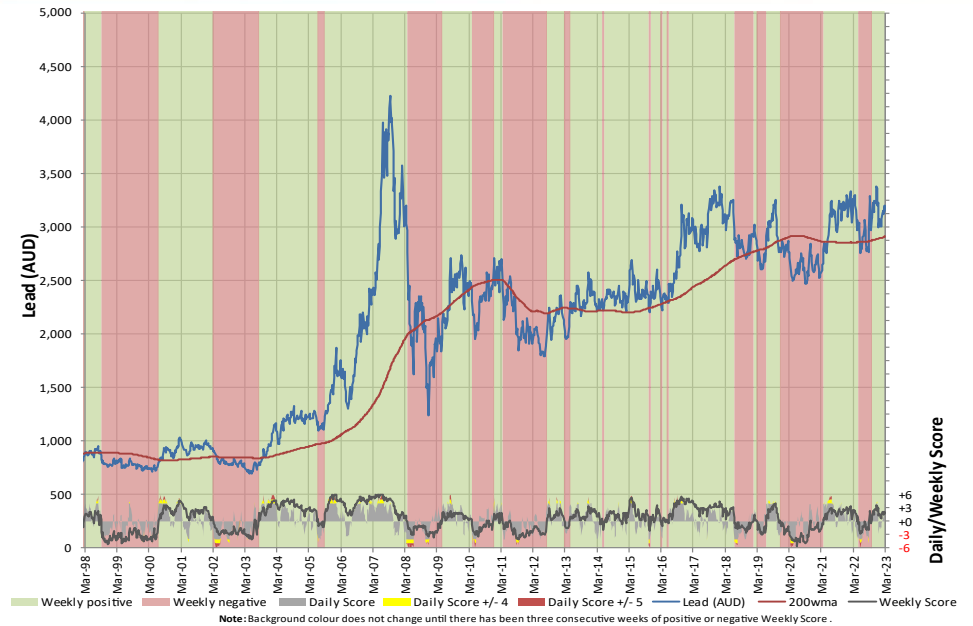
# AUD Zinc



# AUD Copper

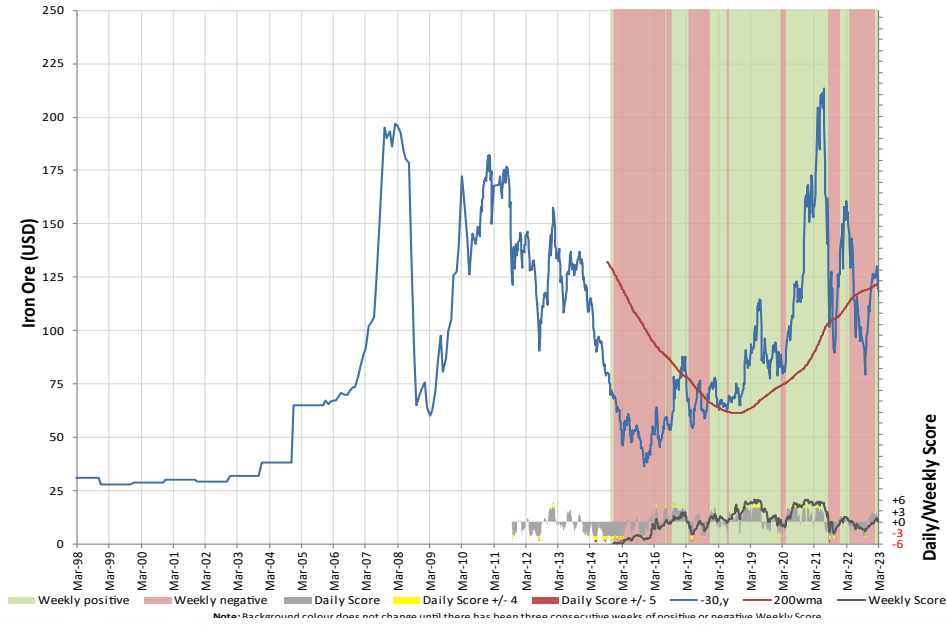


# AUD Lead

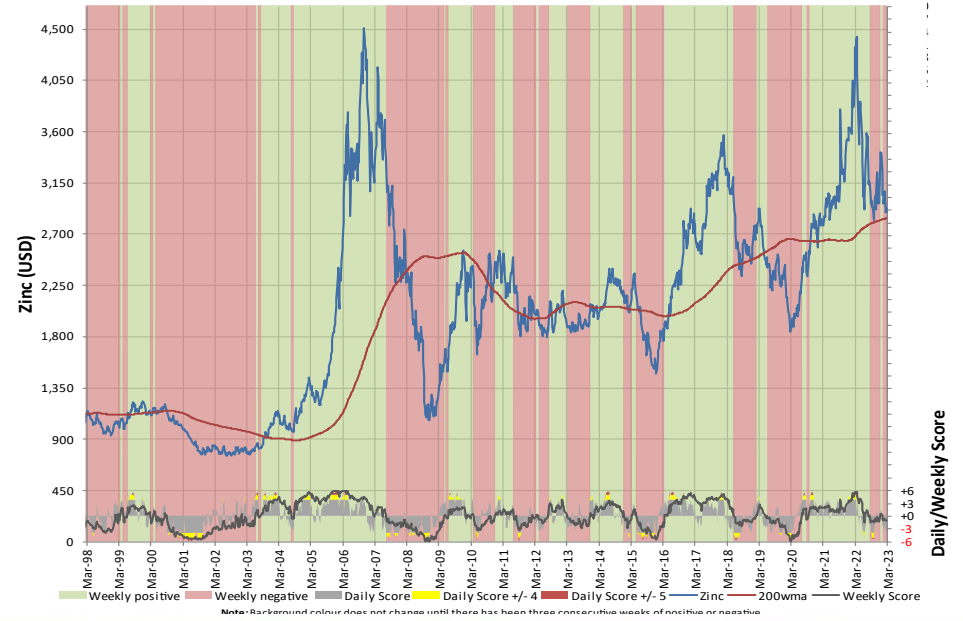




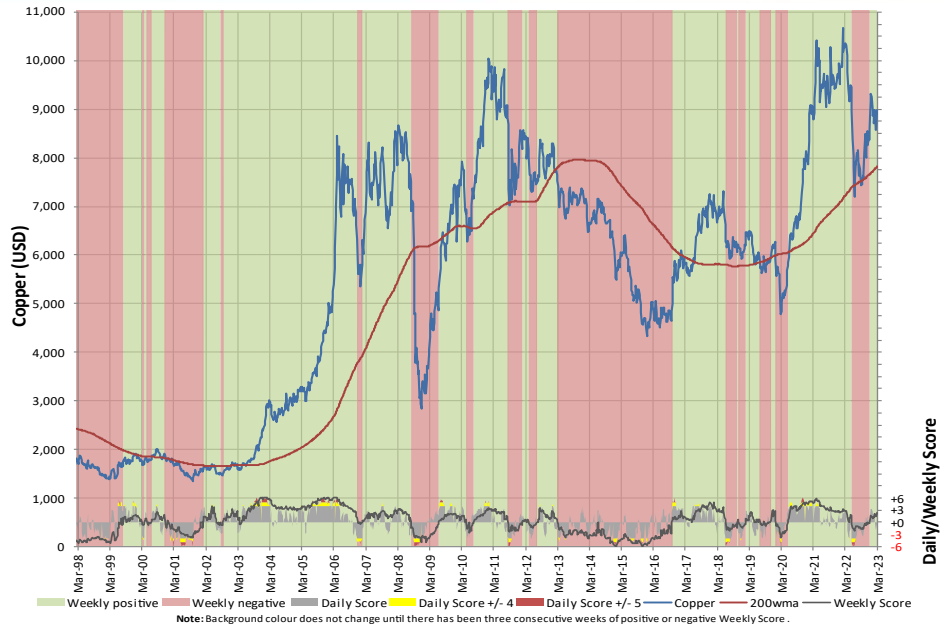
# USD Iron Ore



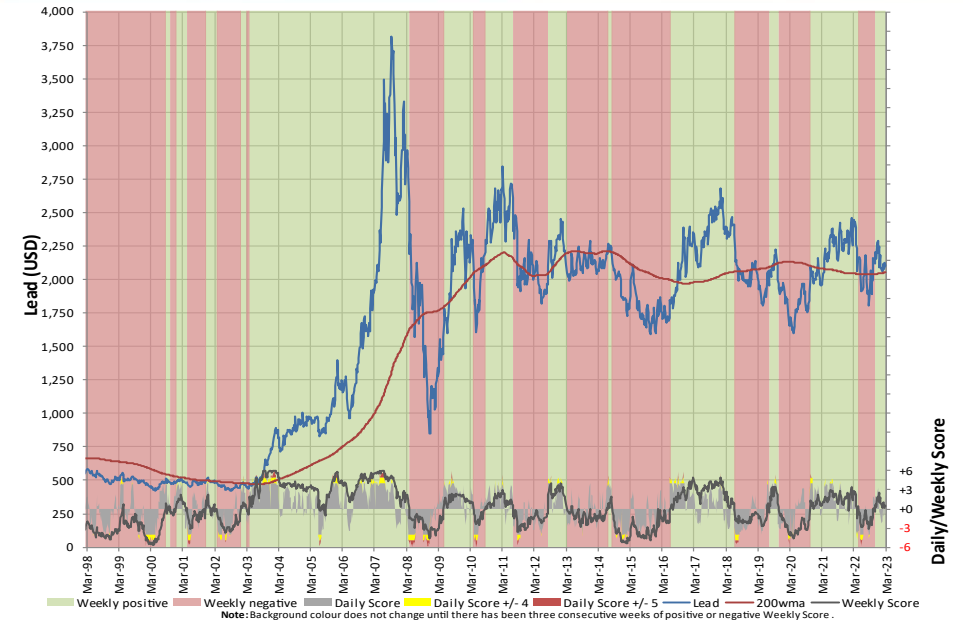
# USD Zinc



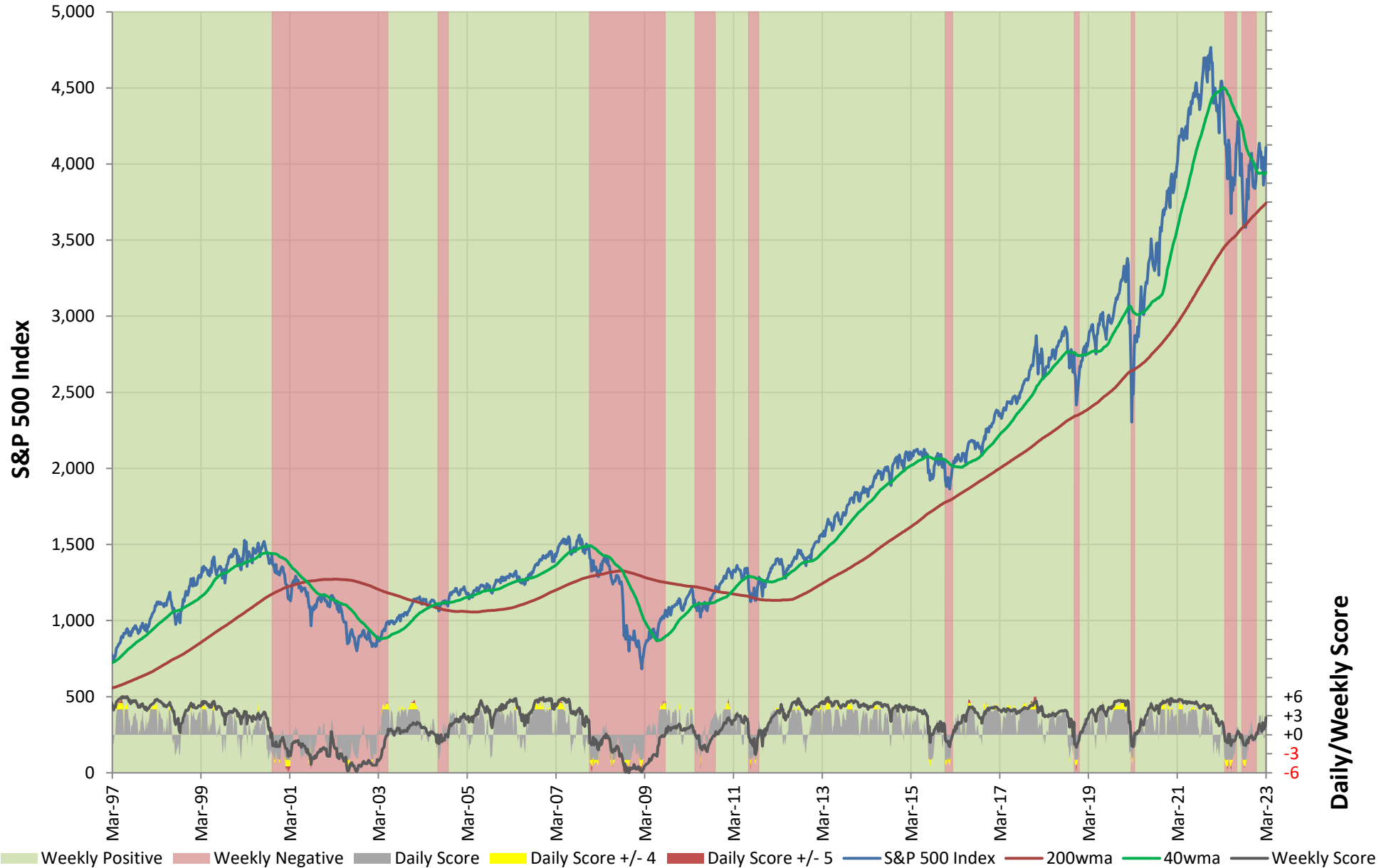
# USD Copper



# USD Lead



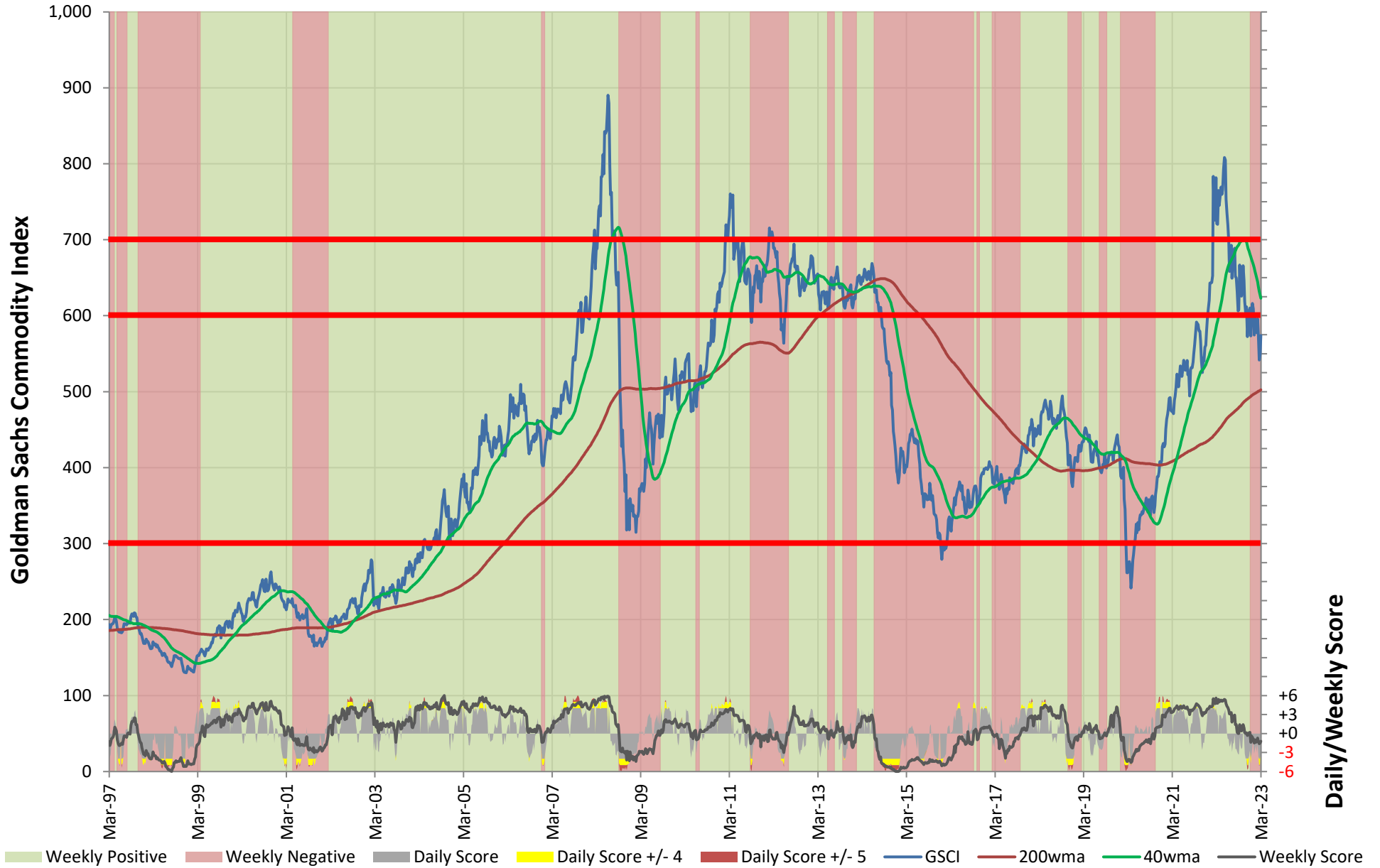
# S&P 500 Index – Red/Green Treatment



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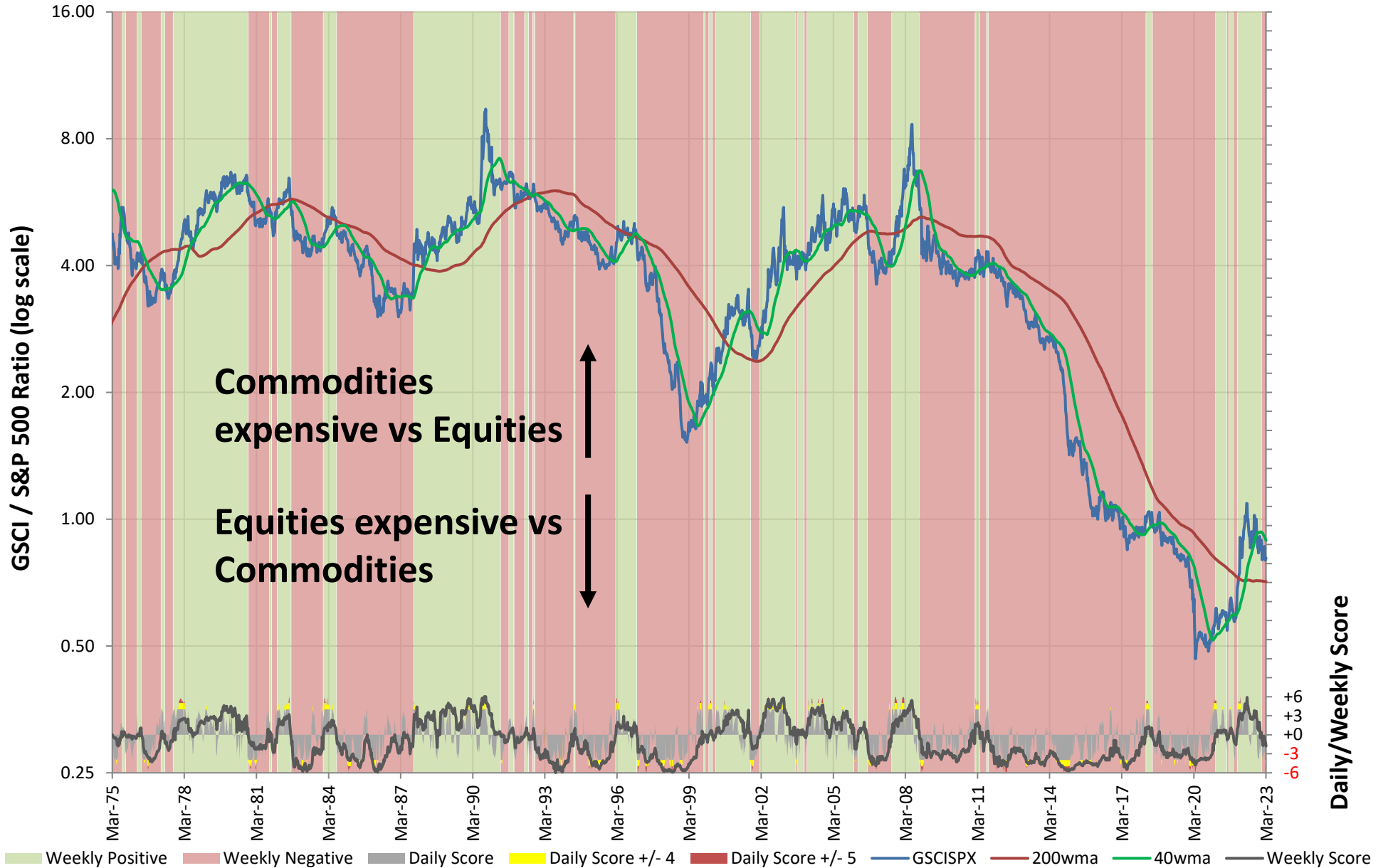
# Goldman Sachs Commodity Index – Red/Green Treatment



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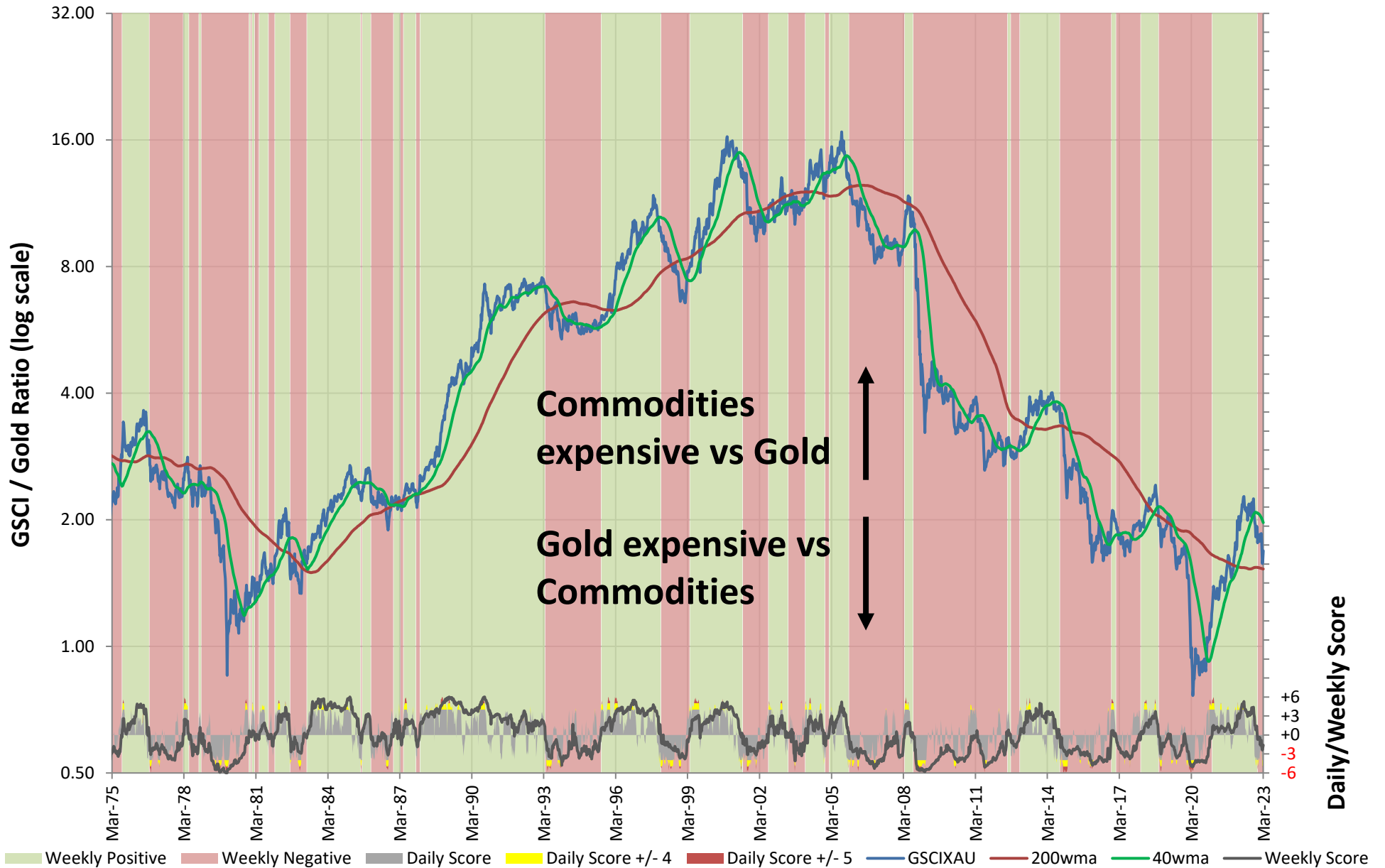
# GSCI / S&P 500 Ratio (log scale) – Red/Green Treatment



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# GSCI / Gold Ratio (log scale) – Red/Green Treatment



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