



# QUARTERLY MARKET UPDATE

31 December 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 found its Mojo! Uptrend strength regained. New highs for year. DXY regains +ve Weekly Score (WS). Green background back.**
  - EUR turning back down. –ve WS. Failed right at 200 WMA
  - Yen continues to falter. Trading around 33 year lows.
  - AUD / NZD / CAD / ZAR / BRL generally weakening
- **Precious metals losing momentum/support but uptrend persists**
  - AUD & USD gold both have retracement scoring pairs.
  - Both prices have now dropped to/below record-breaking 200 dma price levels
- **Base/Bulks still struggling below 6m highs.** Near or below 200wma
- **Energy strong.** Oil back to +ve WS.
- **Commodity, commodity currency and equity market sentiment remains tepid and those that were looking better have floundered. Commodity prices still not matching either the “Green Future” or “Inflation” narratives**
  - GSCI rolling over despite energy strength.



## Now

- **USD stumbled! Shed 5% finishing the year below where it started. DXY clinging to +ve Weekly Score (WS) so Green b'ground remains.**
  - EUR strong qtr. Modestly up on year. 1.10/12 above is key to trend change.
  - Yen firmed but still only 7% above 33 year lows.
  - AUD / NZD / CAD / ZAR / BRL generally firmed over qtr., but retraced since.
- **Gold surged. Multiple new ATH's.**
  - AUD & USD gold both made new annual closing highs.
  - Both prices sit solidly above record-breaking 200 dma price levels (1960/2980)
- **Base still struggling below 6m highs.** All at or below 200wma
- **Energy struggling.** Clinging to +ve WS between 200dma and 200wma
- **Commodities, commodity currency and related equities remain tepid, underperforming general equities. Commodity prices still not matching the “Green Future” narrative.**
  - GSCI making new lows for this move – testing 200 wma.
  - GSCI vs. Equities dropped again –testing 200 wma.

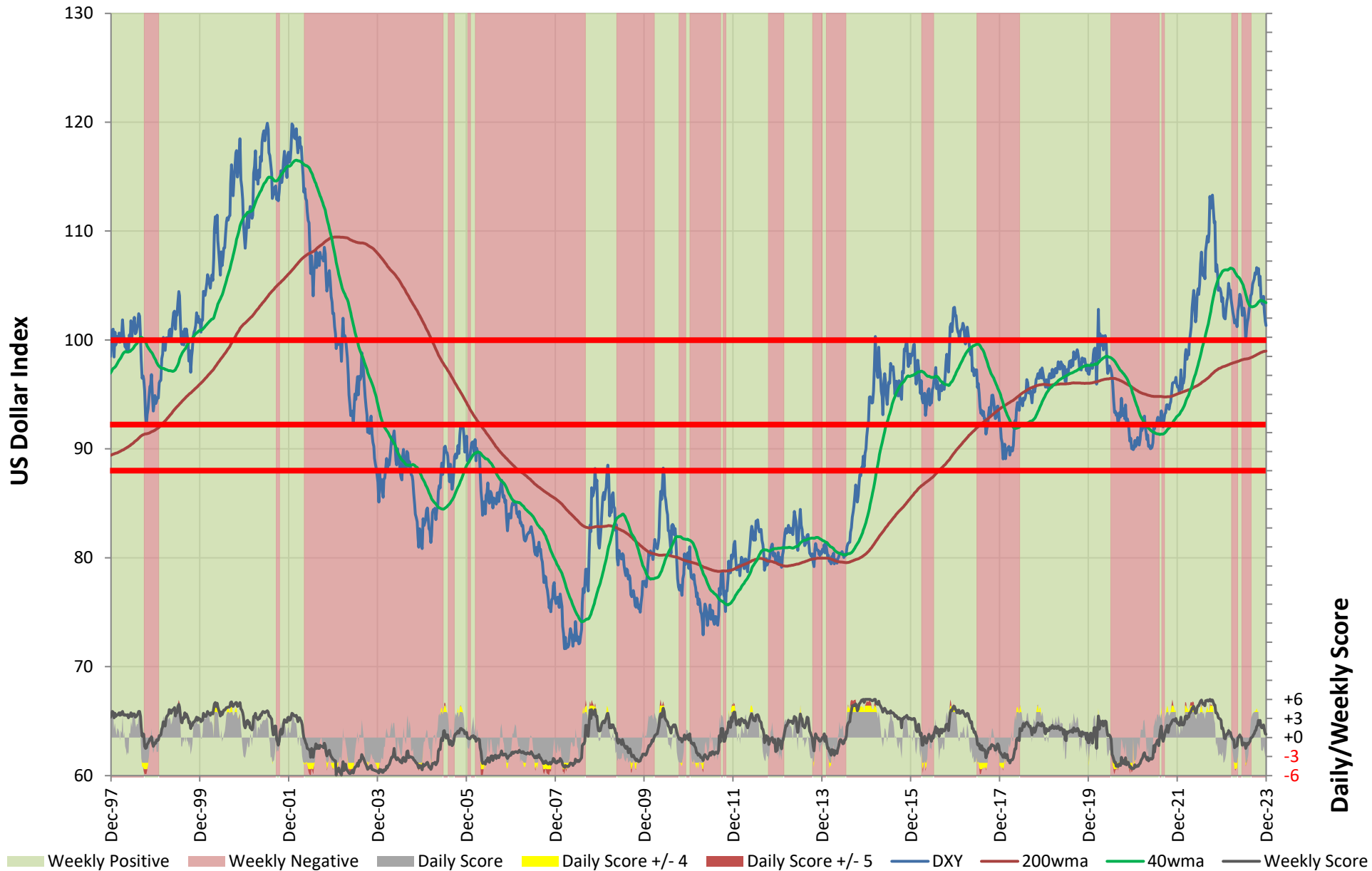


# Market Summary

	30-Jun-23				30-Sep-23				31-Dec-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	1919	-2.54%	-0.6	2.8	1849	-3.68%	-3.5	1.2	2063	11.60%	2.3	2.3
AUDGold	2880	-2.23%	-0.3	2.9	2873	-0.26%	-1.7	1.9	3028	5.42%	-1.9	2.1
<b>Base</b>												
Copper	8316	-7.53%	-0.2	1.7	8271	-0.54%	-2.8	0.9	8559	3.49%	2.0	0.0
AUDCopper	12478	-7.24%	-0.4	2.3	12852	3.00%	-0.8	1.8	12565	-2.24%	-2.5	-1.4
AUDZinc	3583	-18.03%	-3.6	-2.3	4117	14.90%	2.7	-0.4	3902	-5.23%	1.6	-0.9
AUDNickel	30786	-13.66%	-4.4	-1.1	29051	-5.64%	-5.4	-1.5	24373	-16.10%	-4.4	-3.1
AUDIronOre	168	-10.81%	3.2	0.2	186	11.00%	2.9	1.4	205	10.39%	4.0	2.7
<b>Energy</b>												
Coal	231	-23.70%	-0.4	-0.6	329	42.63%	3.9	2.4	323	-1.82%	1.9	2.0
SGO	92.56	-6.66%	-0.6	-1.4	126.86	37.05%	4.0	3.1	98.00	-22.75%	-1.7	0.1
<b>Currencies</b>												
AUDUSD	0.6664	-0.31%	1.1	-1.2	0.6435	-3.44%	-3.3	-1.1	0.6812	5.86%	3.7	0.7
NZDUSD	0.6125	-2.13%	0.5	-1.4	0.5998	-2.07%	-2.3	-1.3	0.6319	5.35%	3.8	-0.1
CADUSD	0.7552	2.07%	5.1	0.5	0.7365	-2.47%	-1.5	-0.7	0.7551	2.52%	3.4	0.4
EURUSD	1.0909	0.65%	2.0	1.5	1.0573	-3.08%	-3.6	-0.4	1.1039	4.41%	2.3	0.1
ZARUSD	0.0531	-5.58%	-0.7	-3.2	0.0528	-0.39%	-2.6	-2.7	0.0545	3.05%	2.9	-1.5
BRLUSD	0.2090	5.80%	4.7	3.8	0.1986	-4.94%	-1.4	2.2	0.2059	3.64%	2.6	2.9
JPYUSD	0.0069	-7.93%	-3.2	-3.2	0.0067	-3.39%	-5.3	-3.6	0.0071	5.91%	2.2	-3.3
DXY	102.91	0.40%	-1.4	-0.9	106.17	3.17%	4.1	1.0	101.33	-4.56%	-3.0	0.5
<b>Indices</b>												
DOW	34408	3.41%	3.6	3.6	33508	-2.62%	-3.1	2.0	37690	12.48%	5.5	4.1
ALLORDS	7402	0.38%	-0.2	2.1	7250	-2.05%	-3.9	0.7	7829	8.00%	4.2	2.4
GDX	30.11	-6.92%	-1.1	0.7	26.91	-10.63%	-3.6	-1.2	31.01	15.24%	1.3	-0.8
GSCI	540	-5.85%	-2.6	-0.9	610	12.81%	3.7	2.7	536	-12.14%	-2.2	-0.3



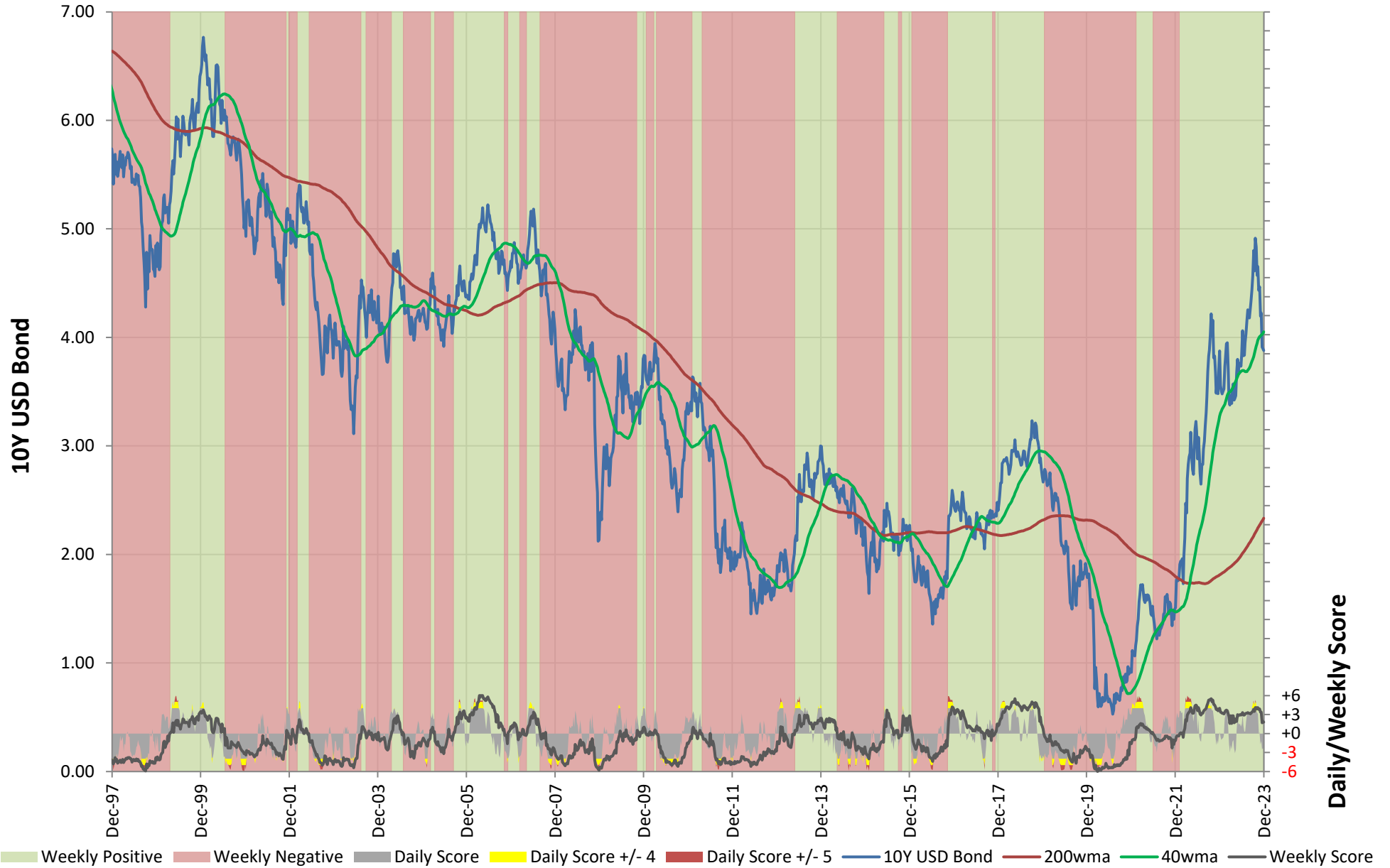
# US Dollar Index – Red/Green Treatment



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



# 10Y USD Bond Yield – Red/Green Treatment

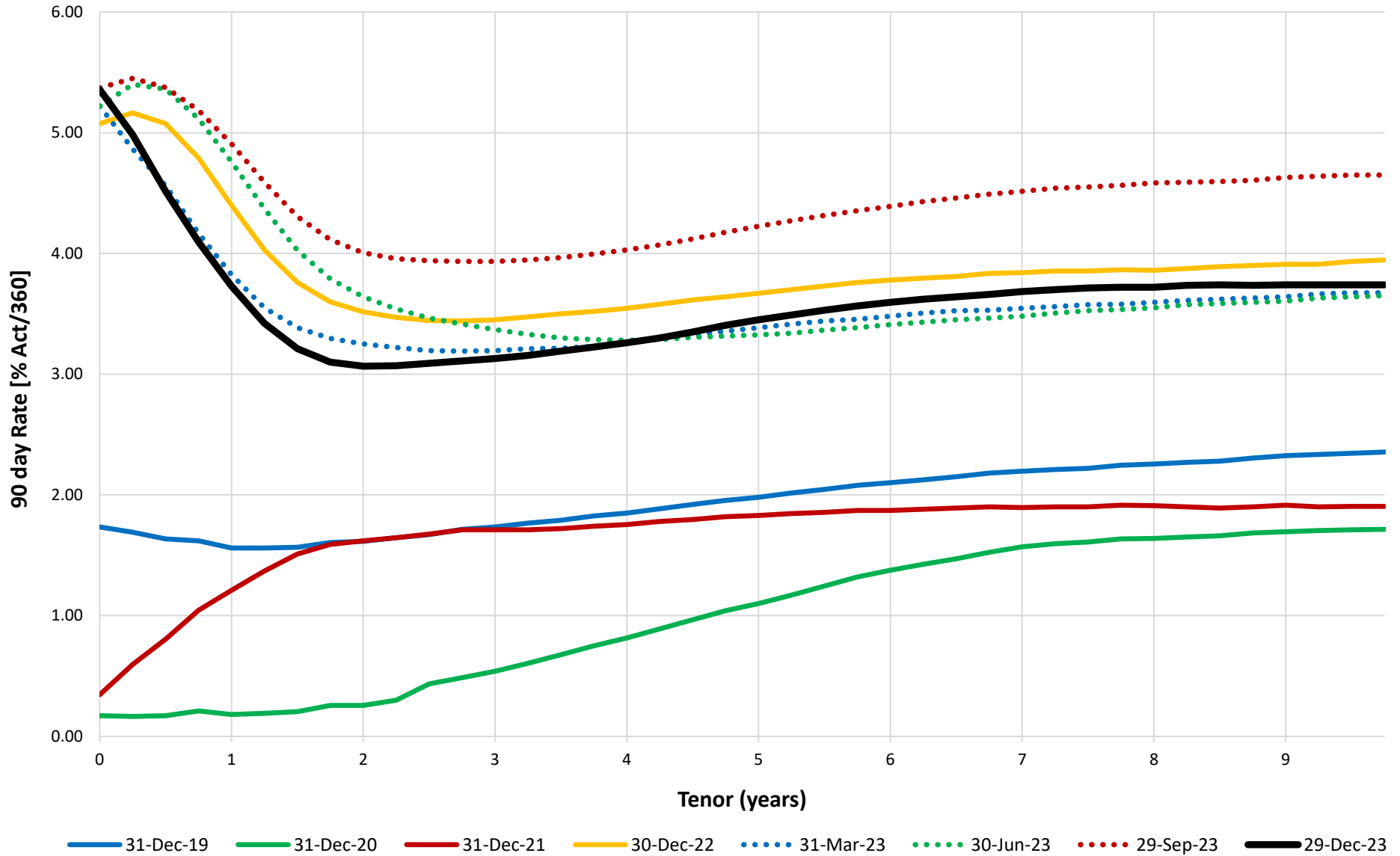


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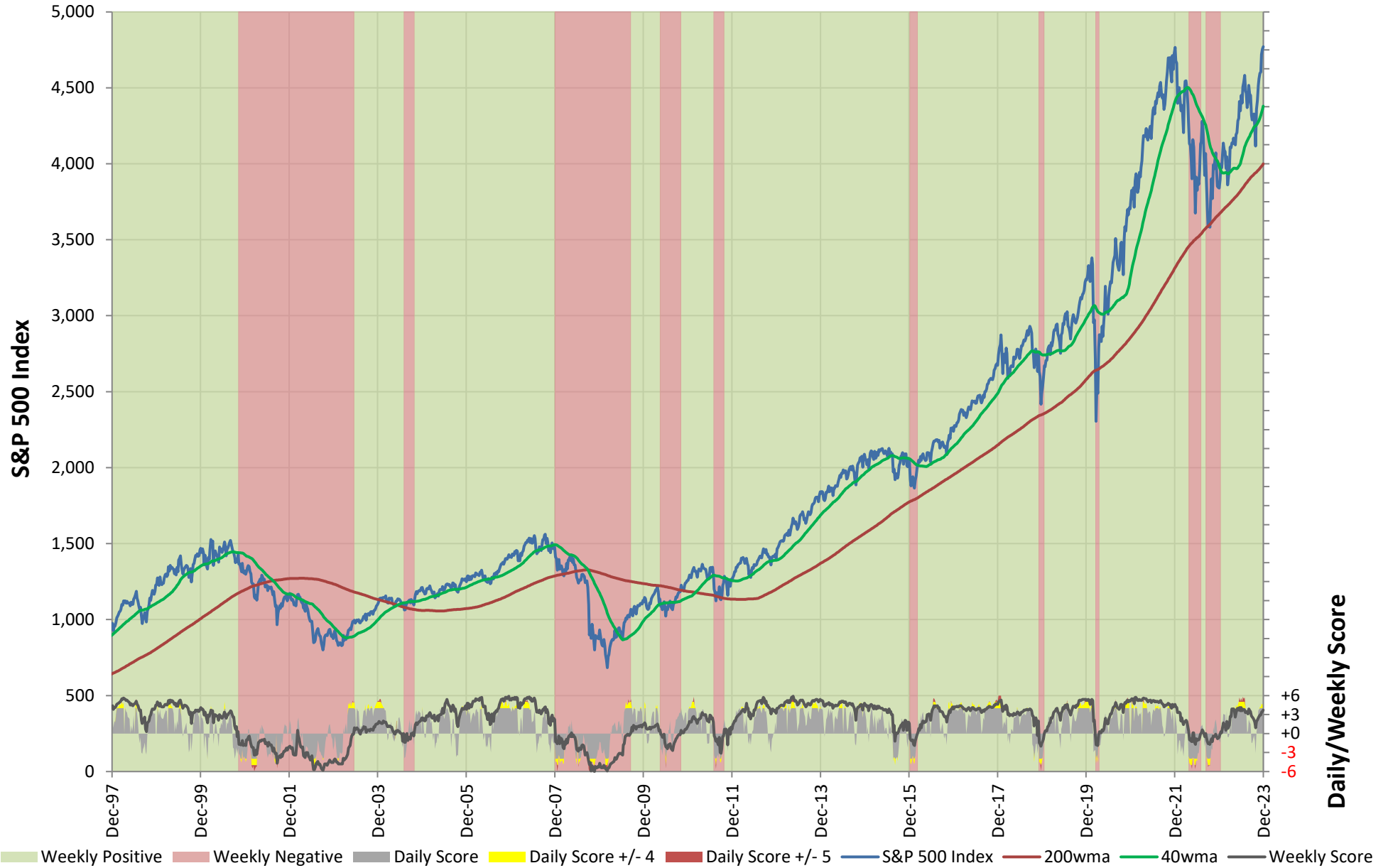
# The Changing Shape of the US Interest Rate Curve

## EURO & SOFR Futures





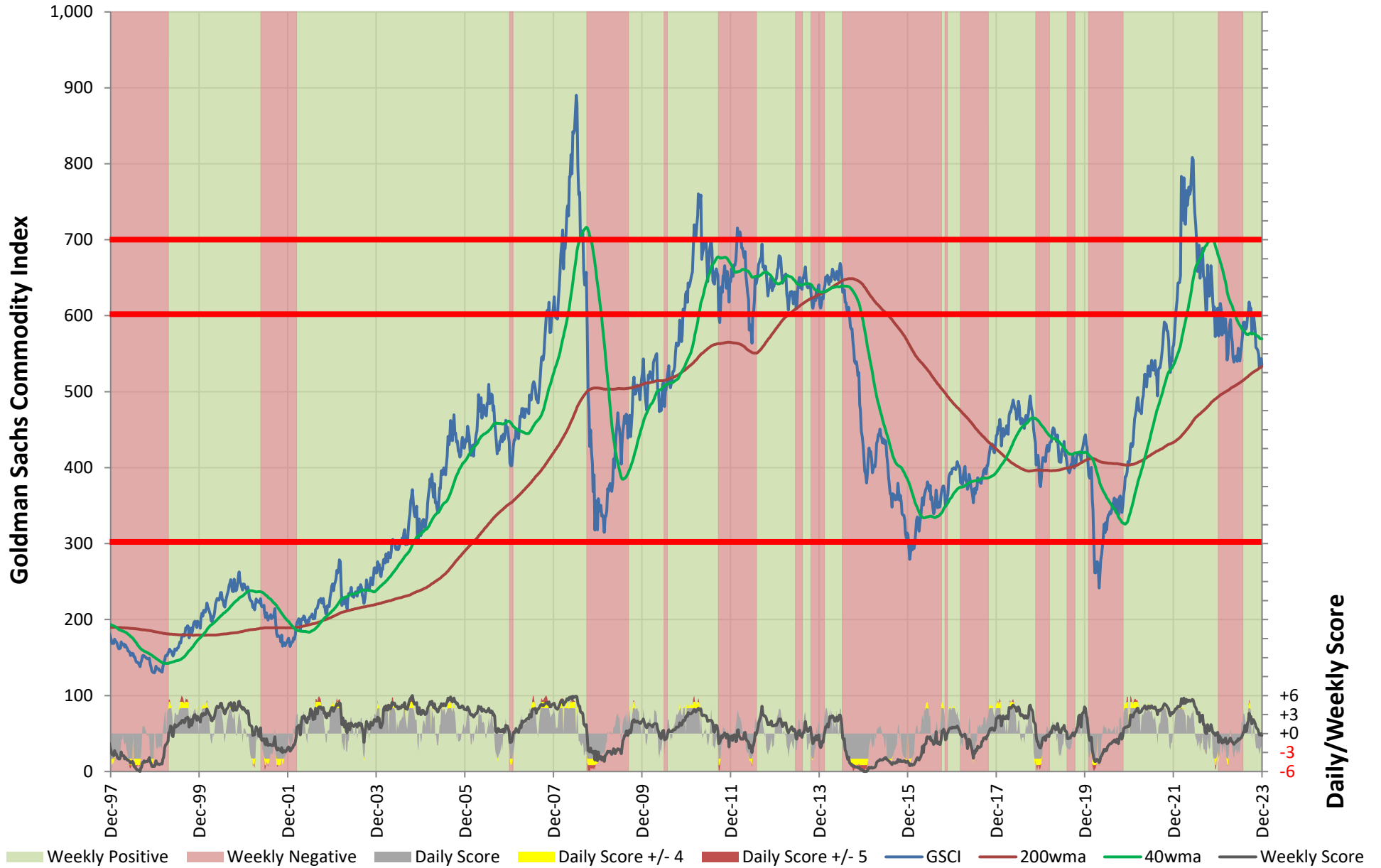
# S&P 500 Index – Red/Green Treatment



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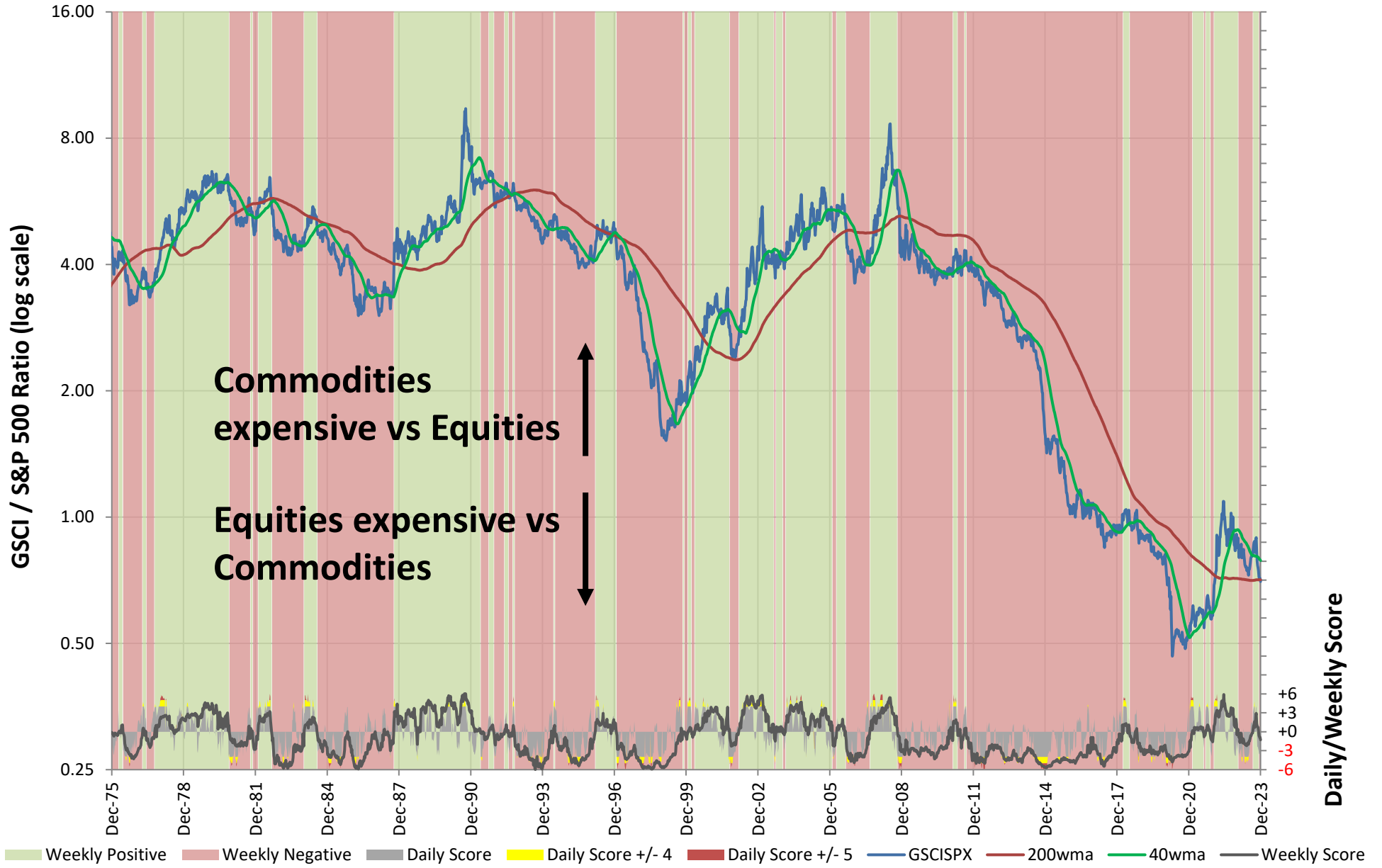
# Goldman Sachs Commodity Index – Red/Green Treatment



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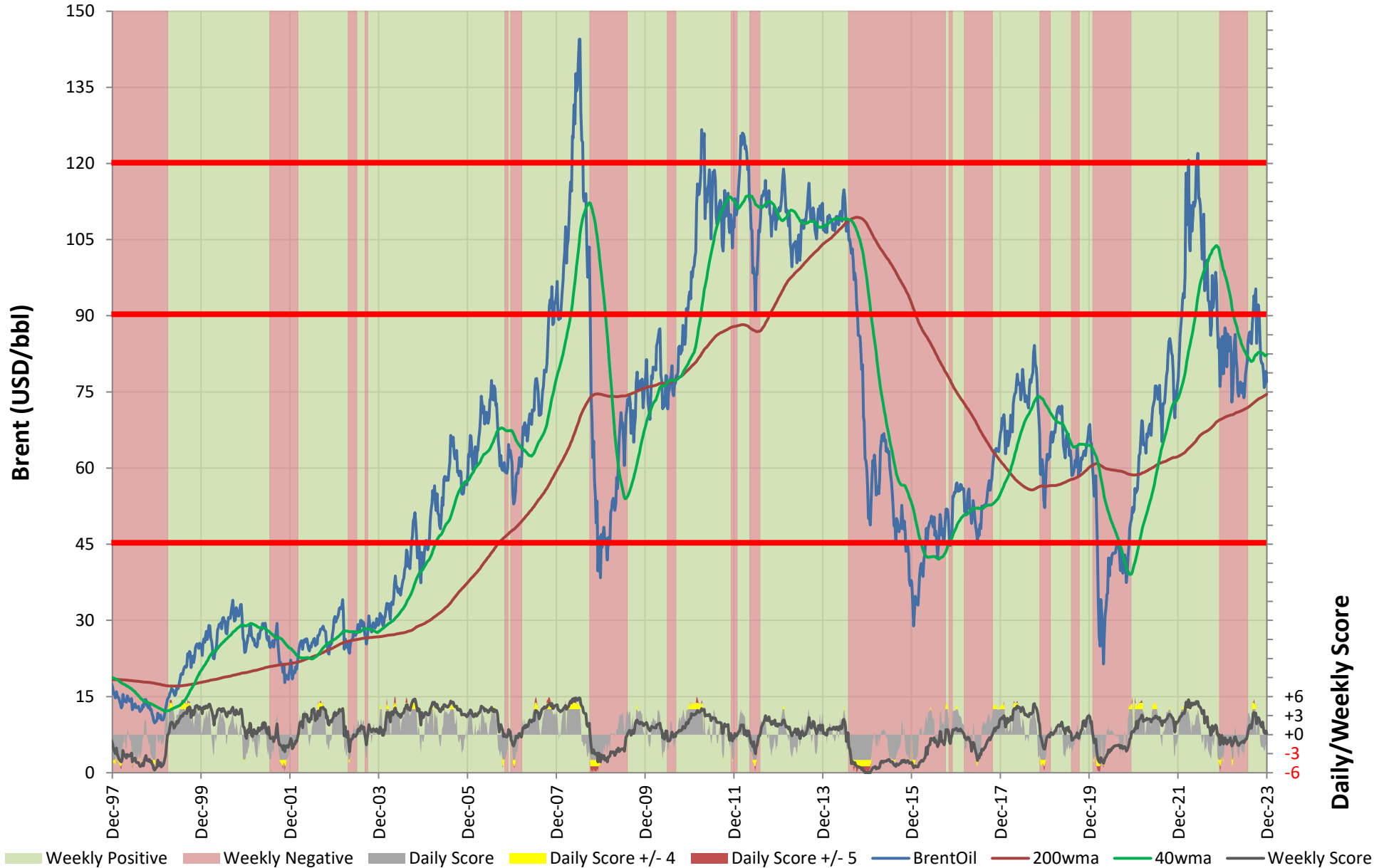
# GSCI / S&P 500 Ratio (log scale) – Red/Green Treatment



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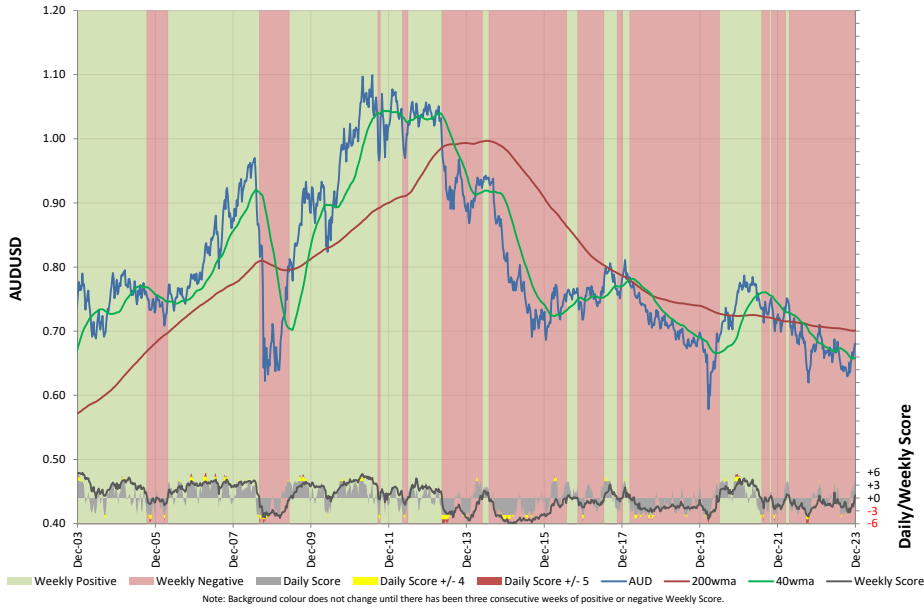
# USD Brent – Red/Green Treatment



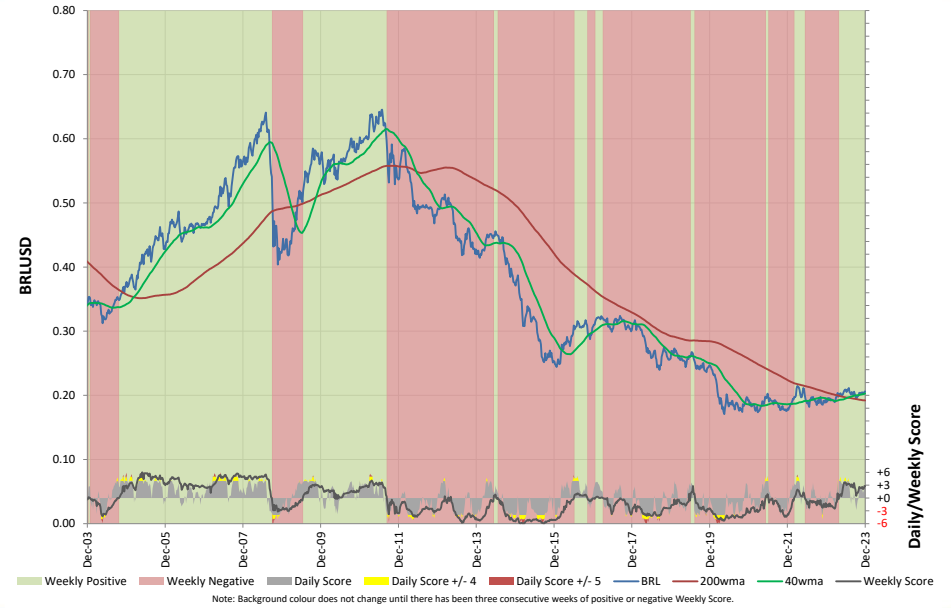
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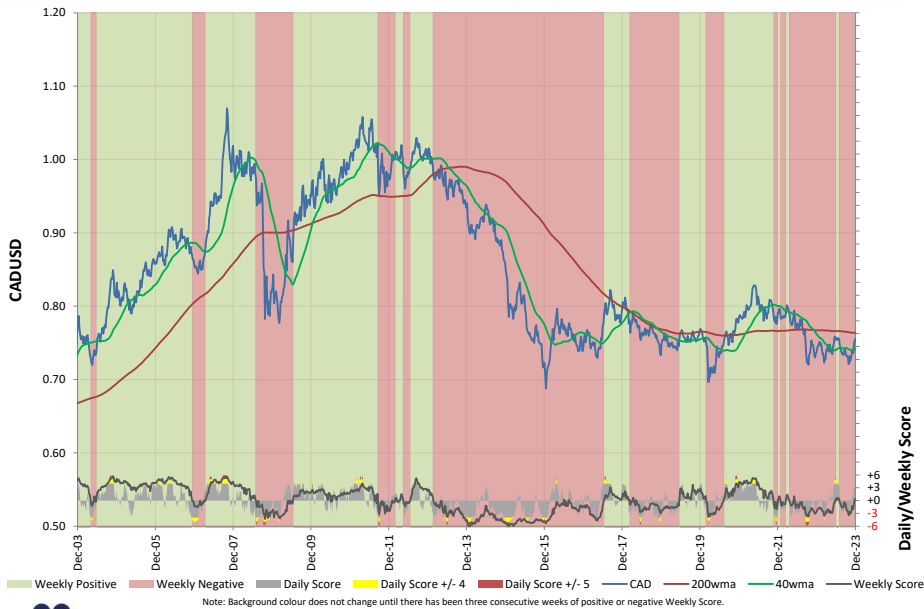
# AUD



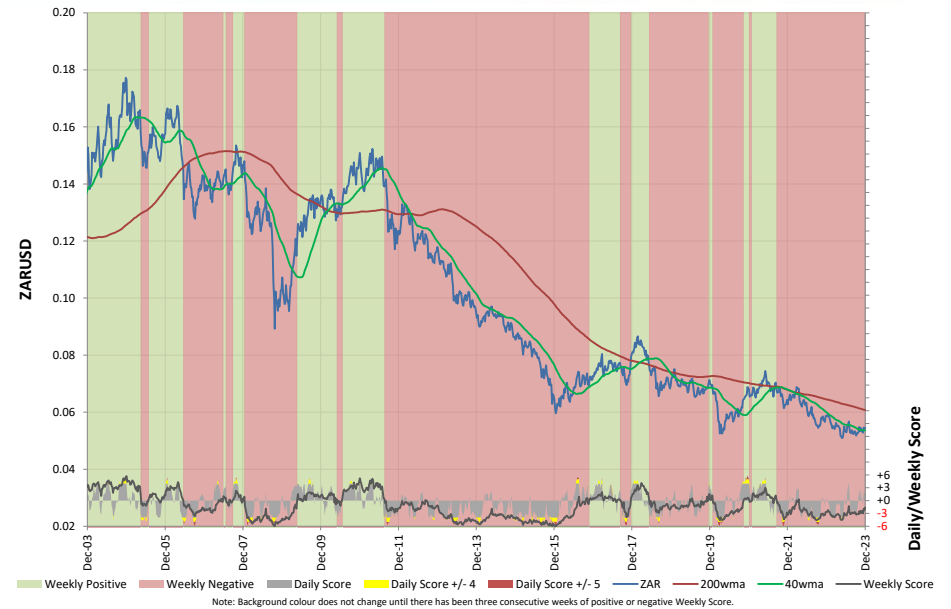
# BRL (quoted inversely)



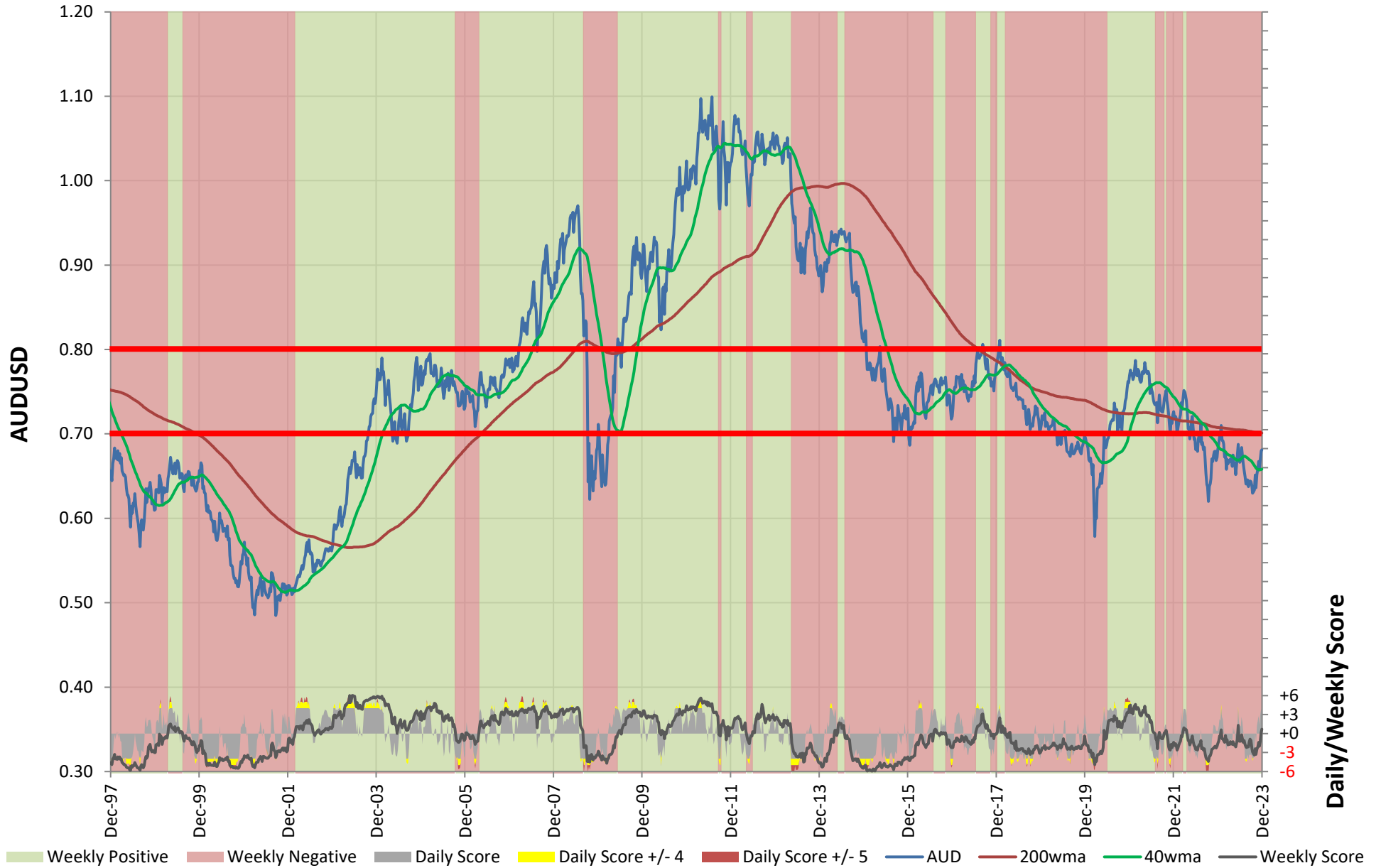
# CAD (quoted inversely)



# ZAR (quoted inversely)



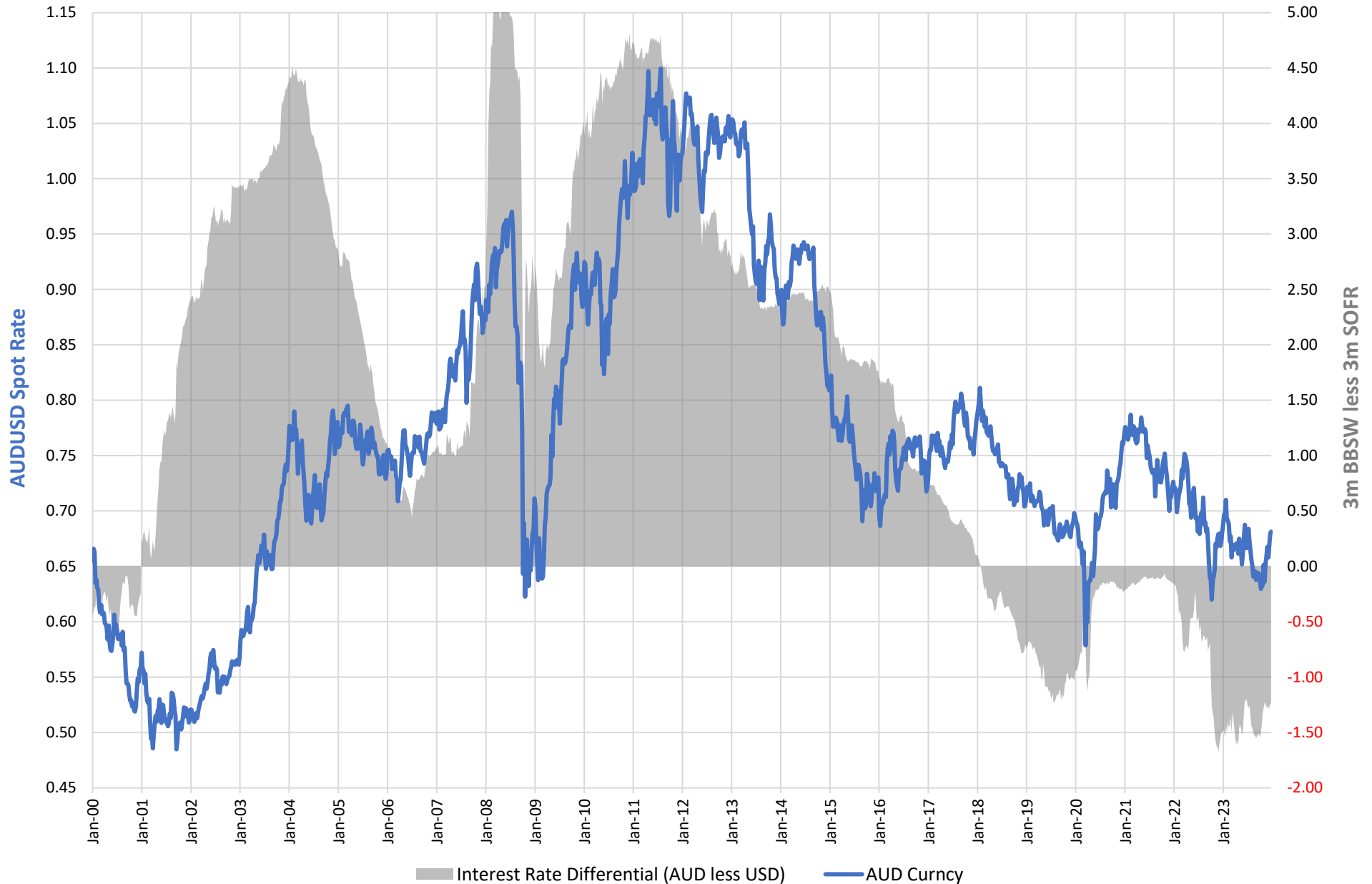
# AUDUSD – Red/Green Treatment



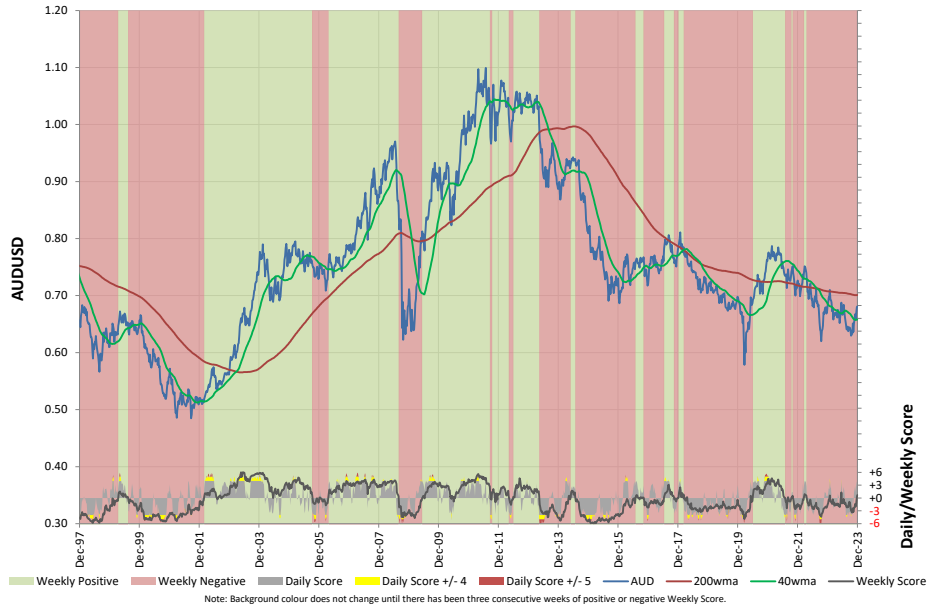
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# The Australian Dollar and the Interest Rate Differential

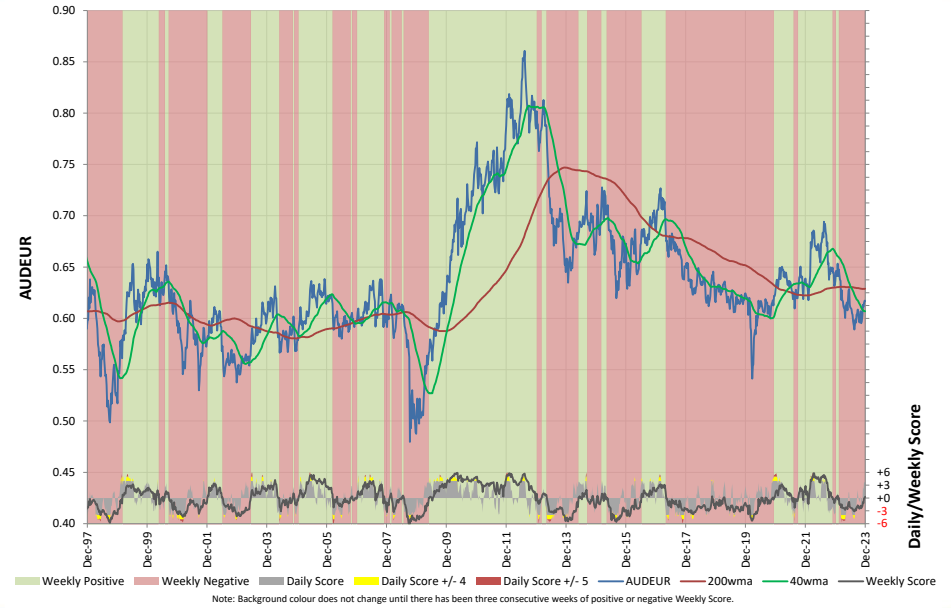


# AUD



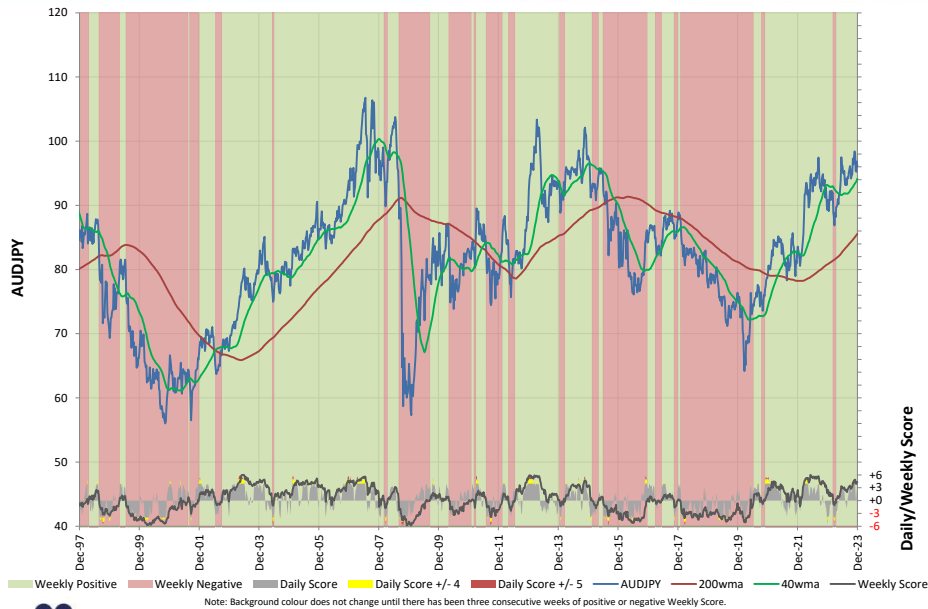
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# AUD EUR



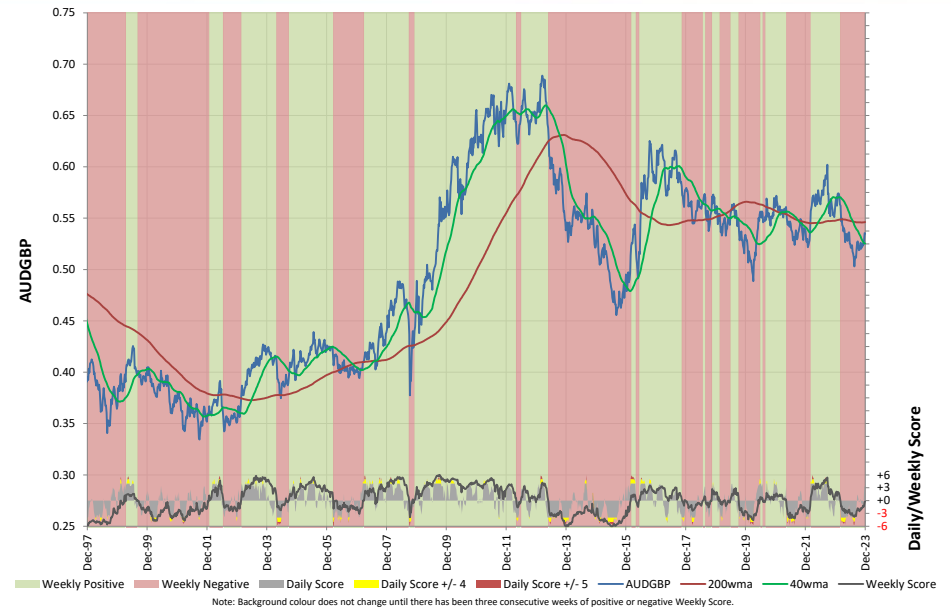
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# AUD JPY



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# AUD GBP

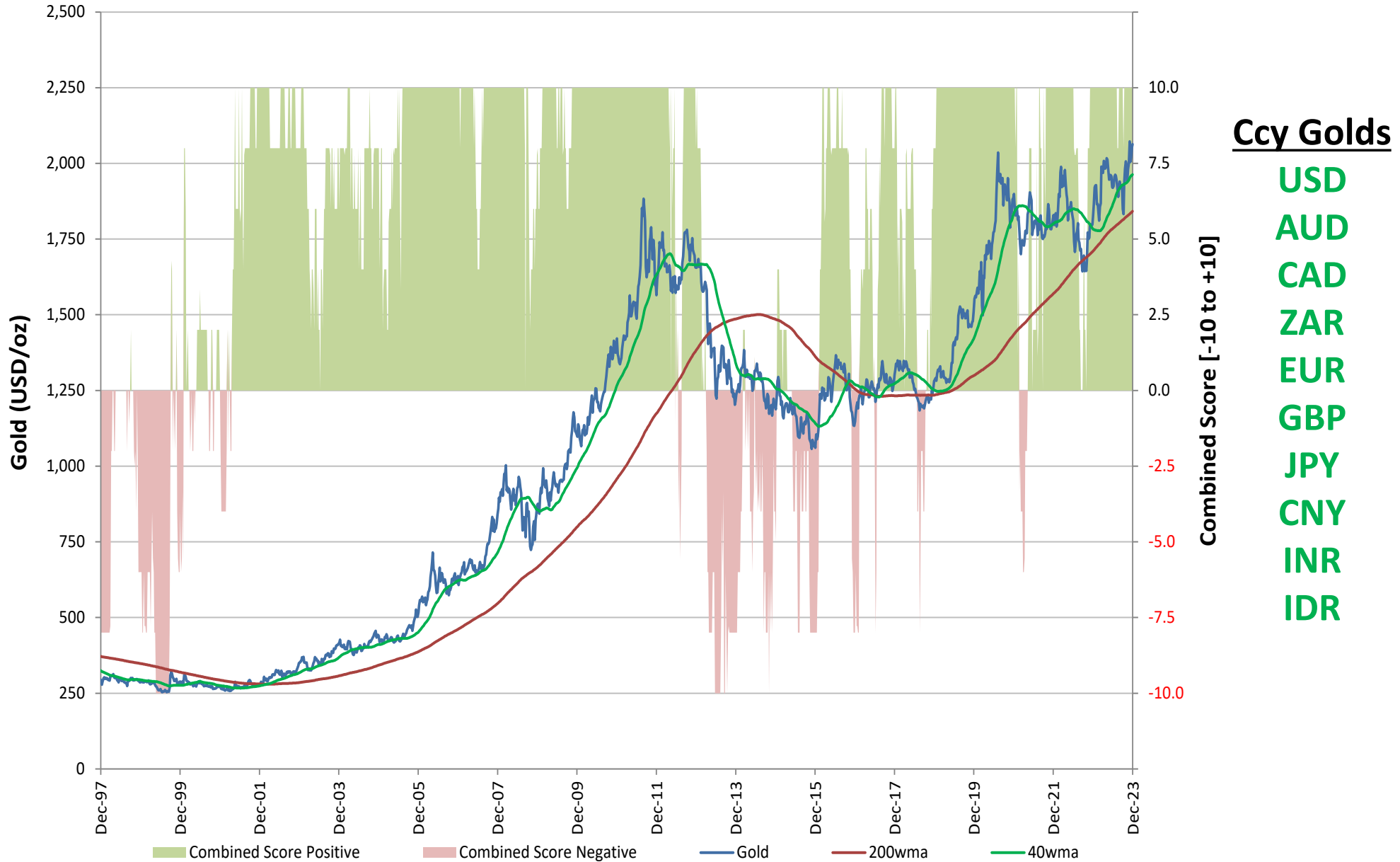


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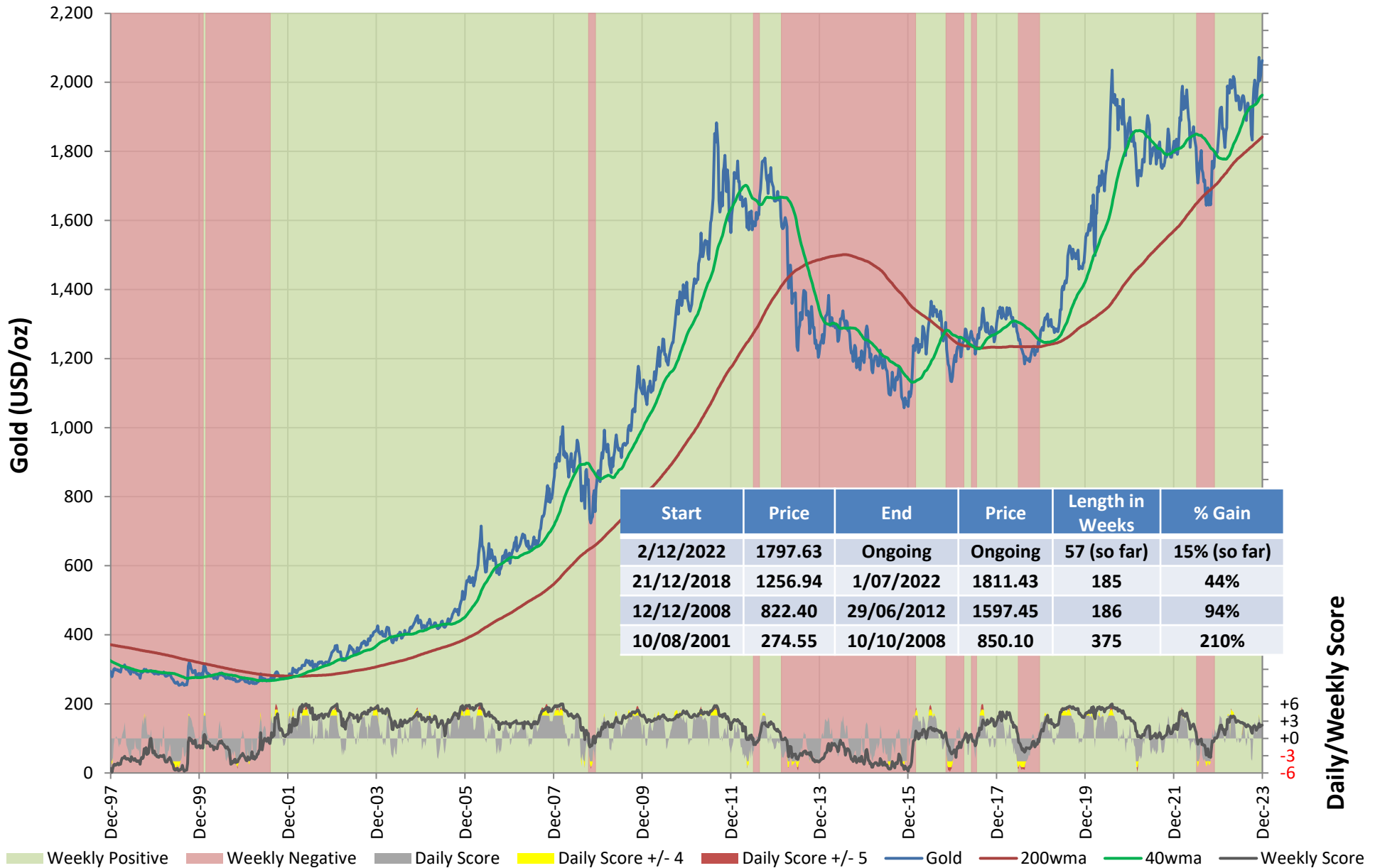




# USD Gold – Global Gold Score



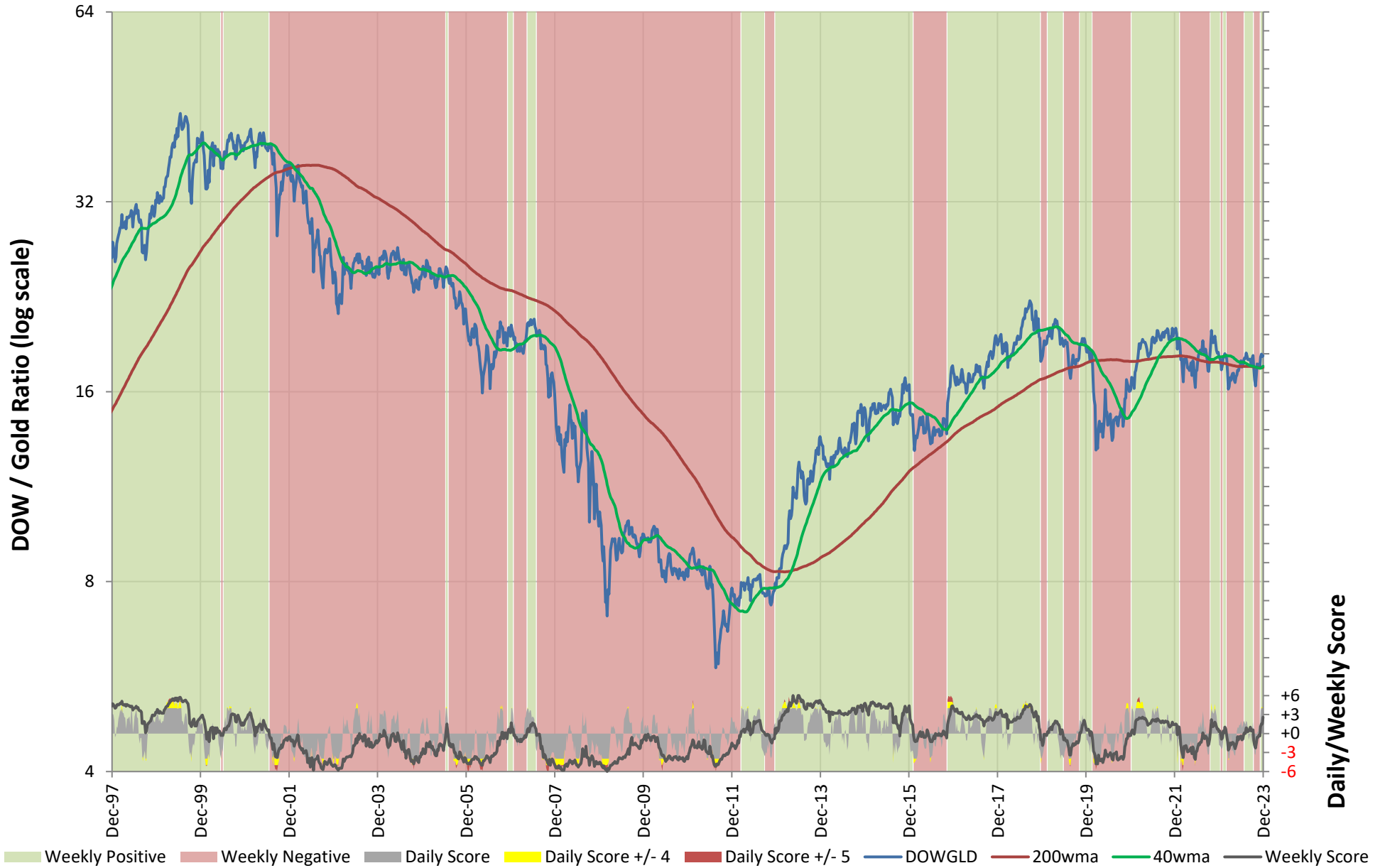
# USD Gold – Red/Green Treatment



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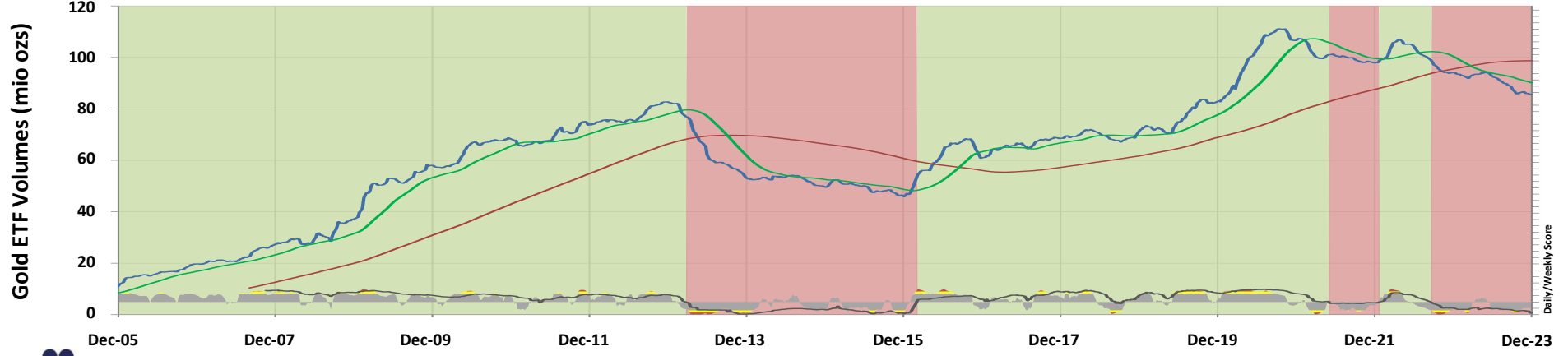
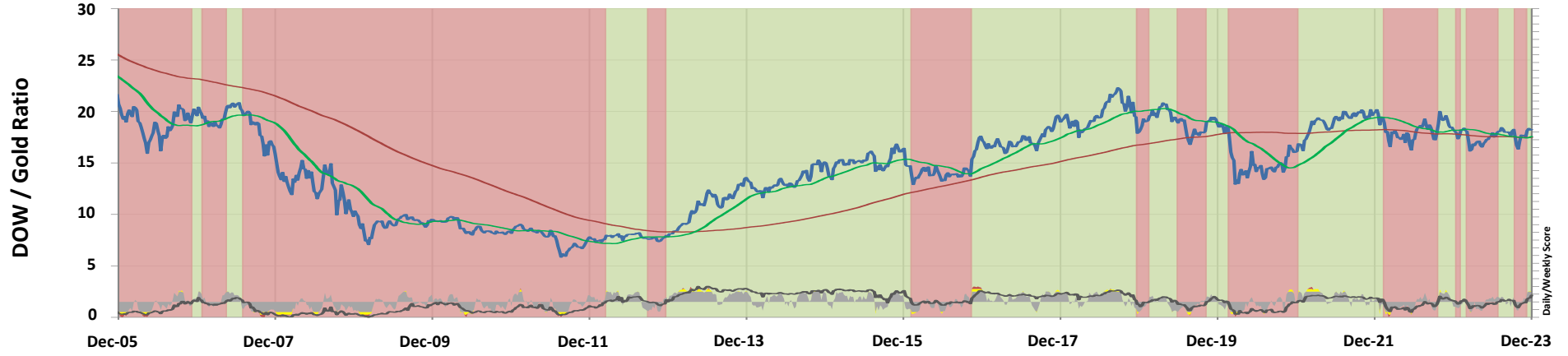
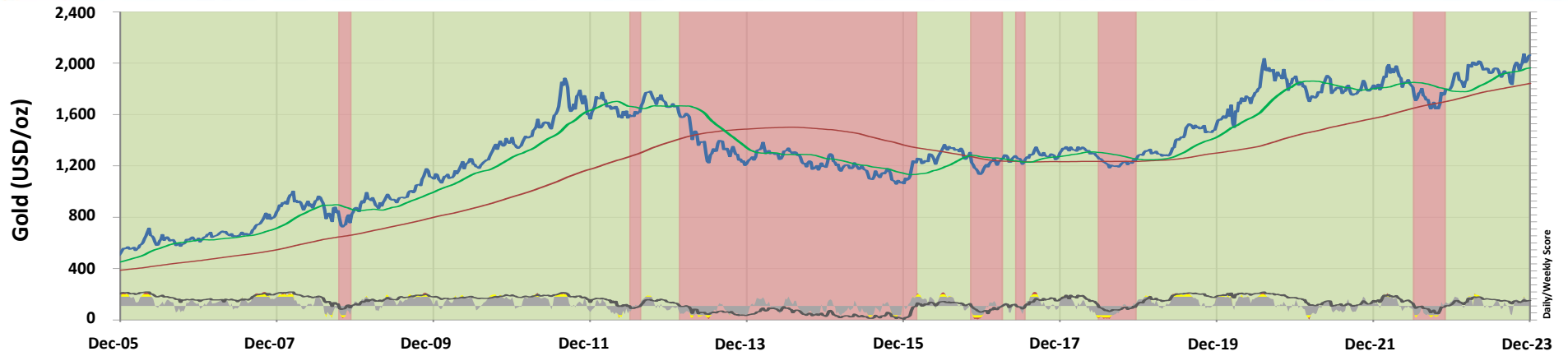
# DOW / Gold Ratio (log scale) – Red/Green Treatment



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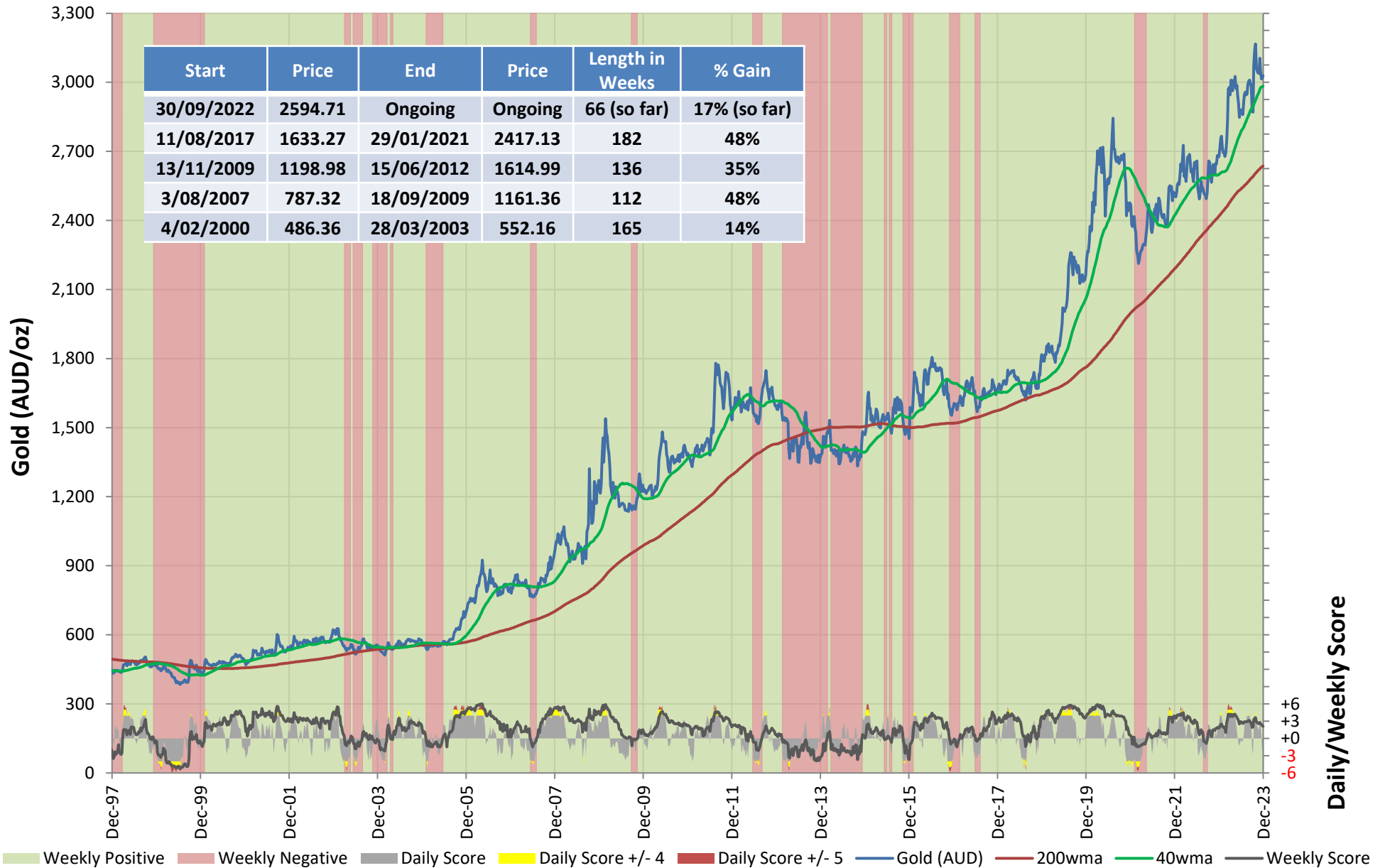
# USD Gold – DOW / Gold Ratio – Gold ETF Volumes



# USD Gold – Paint-the-Line



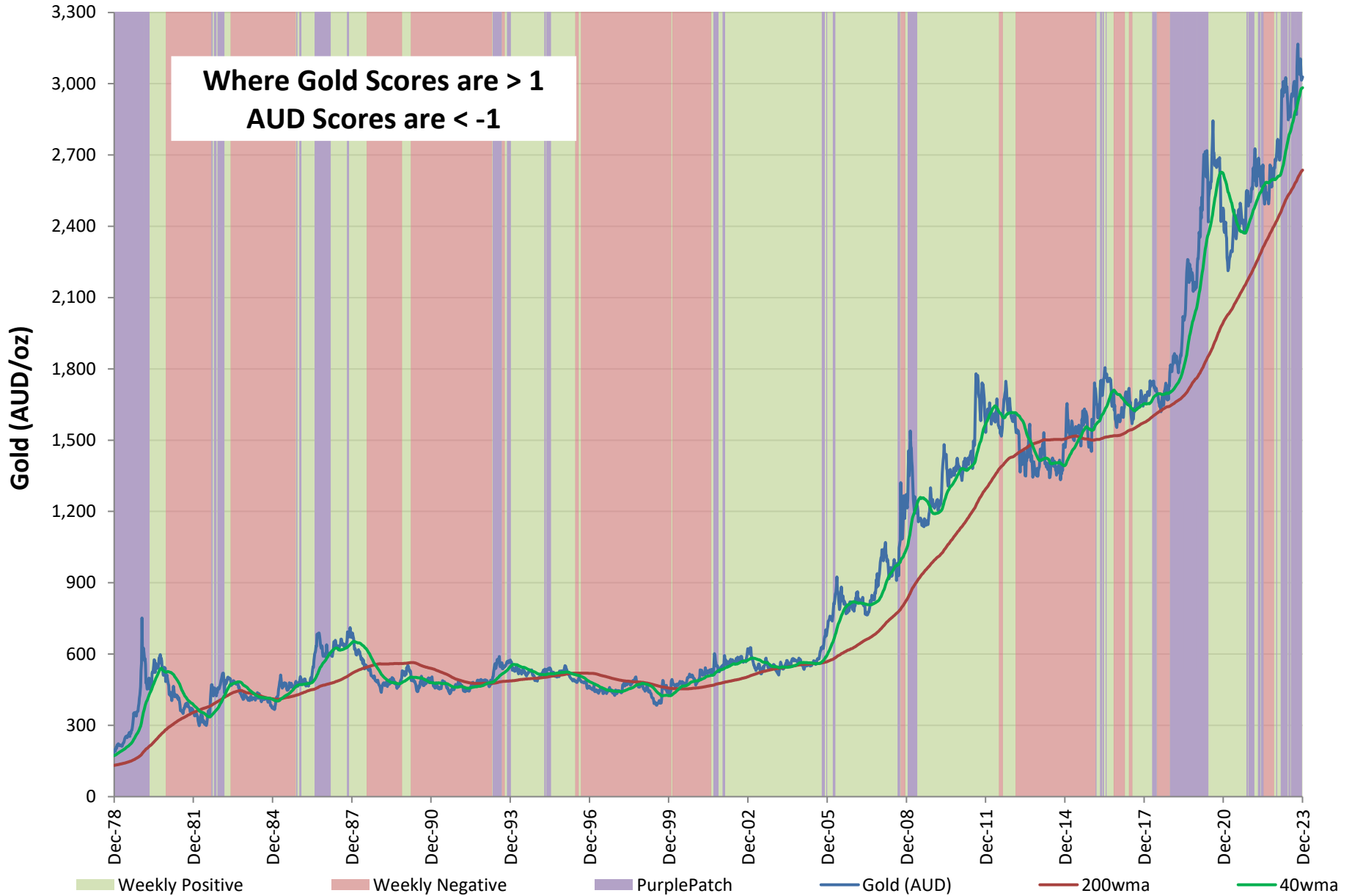
# AUD Gold – Red/Green Treatment



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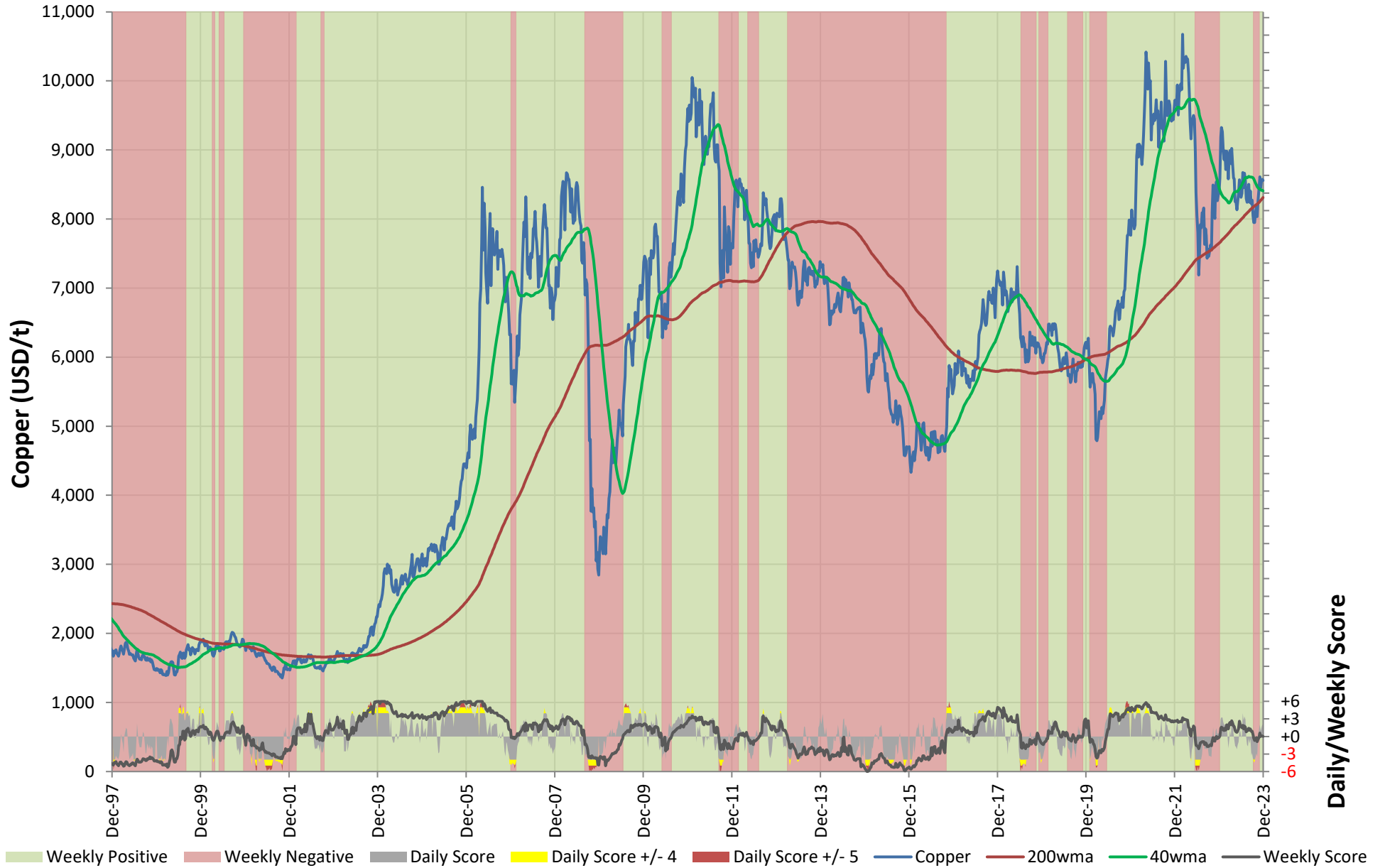
# AUD Gold – USD Gold Background & PurplePatch



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



# USD Copper – Red/Green Treatment

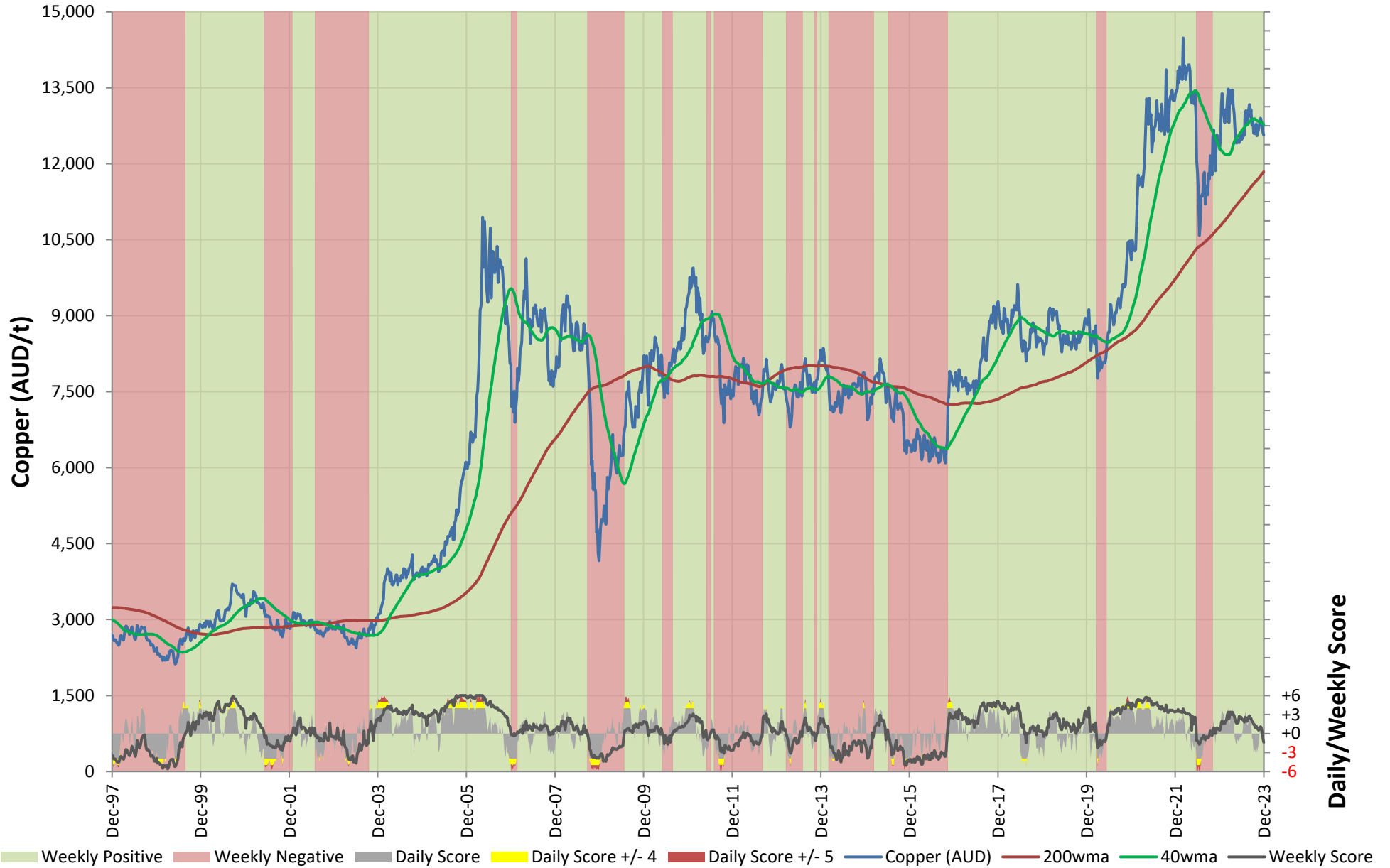


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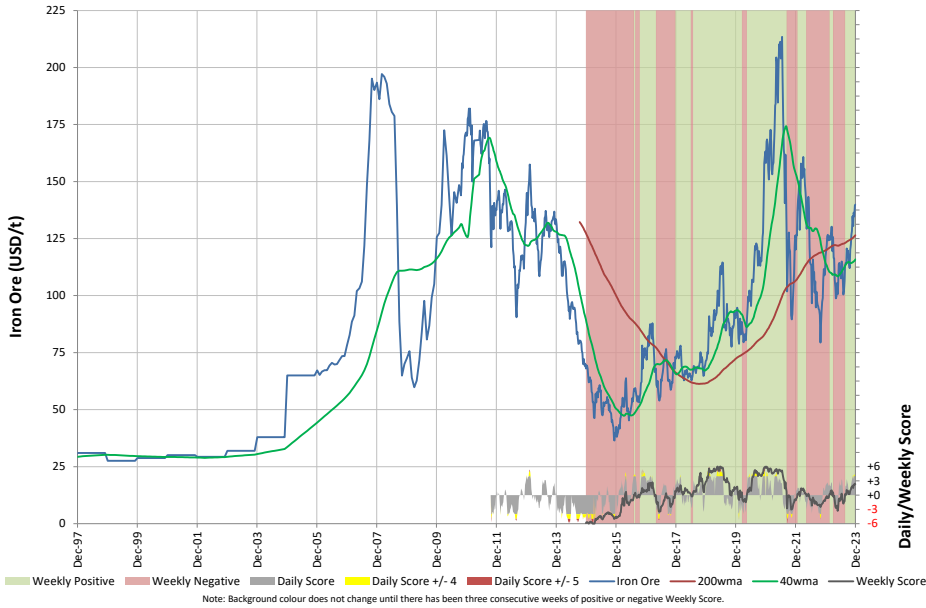
# AUD Copper – Red/Green Treatment



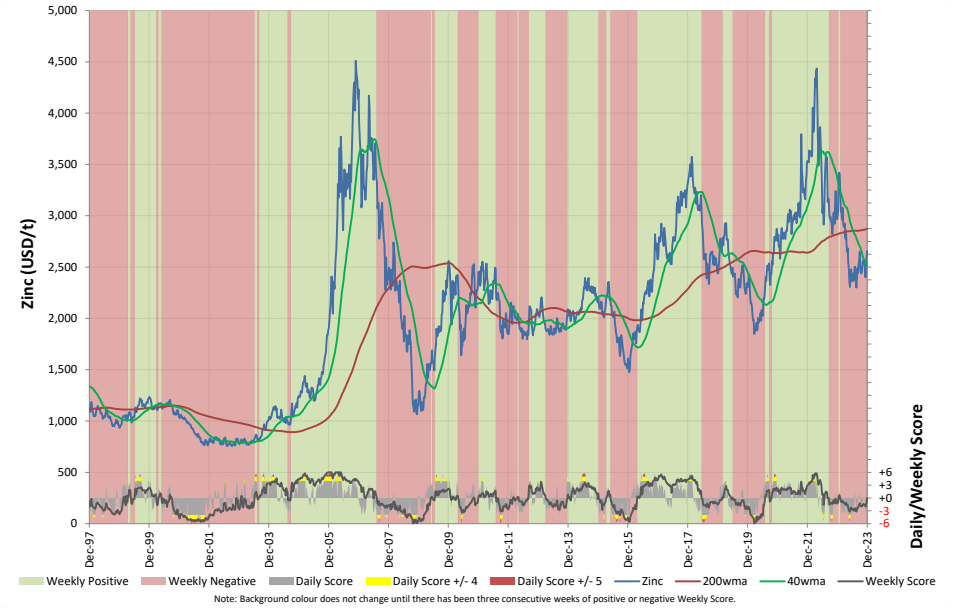
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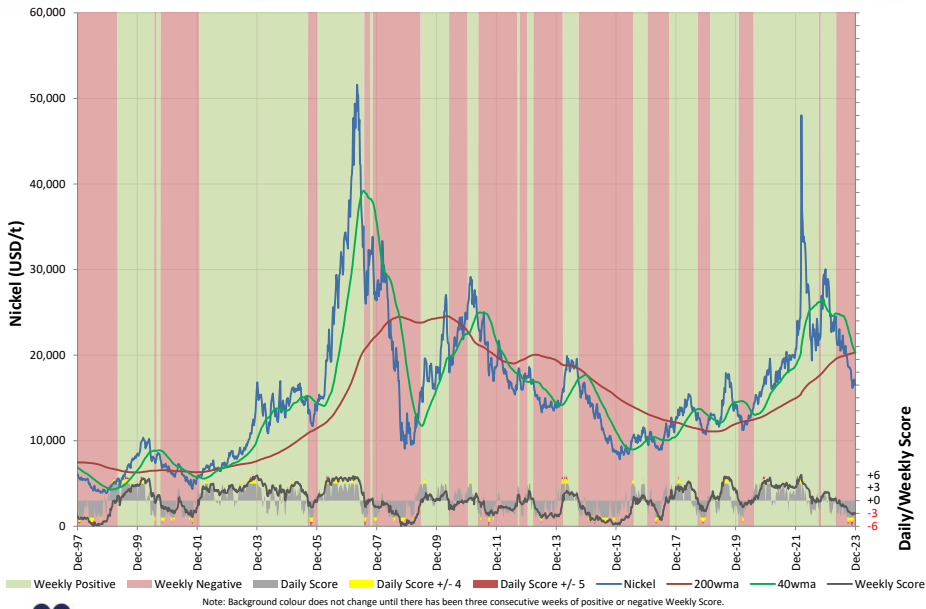
# USD Iron Ore



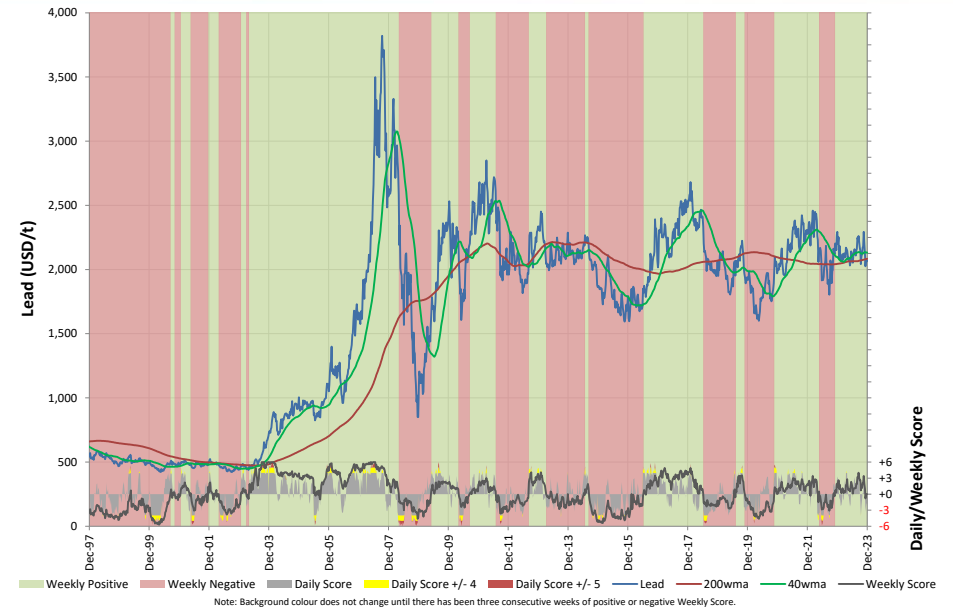
# USD Zinc



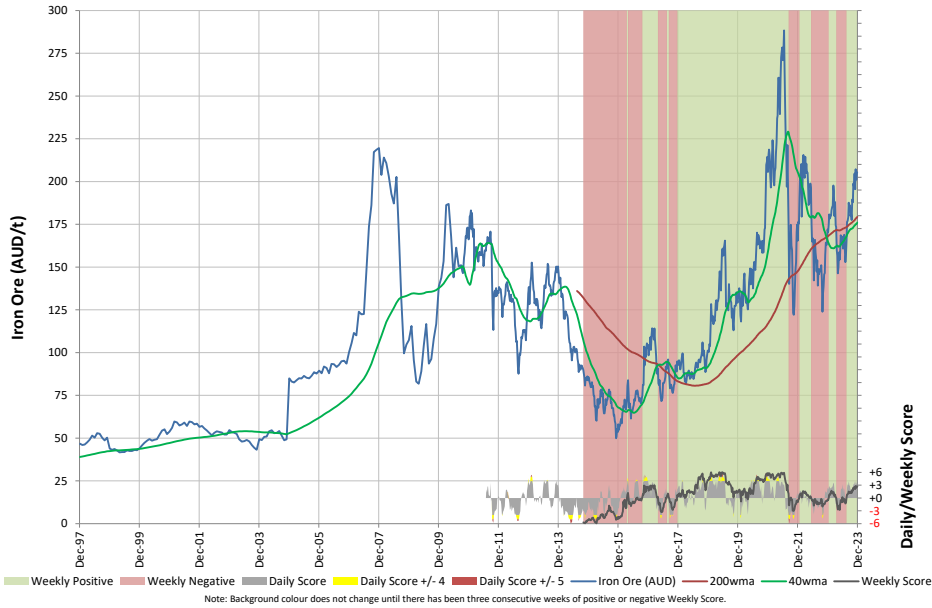
# USD Nickel



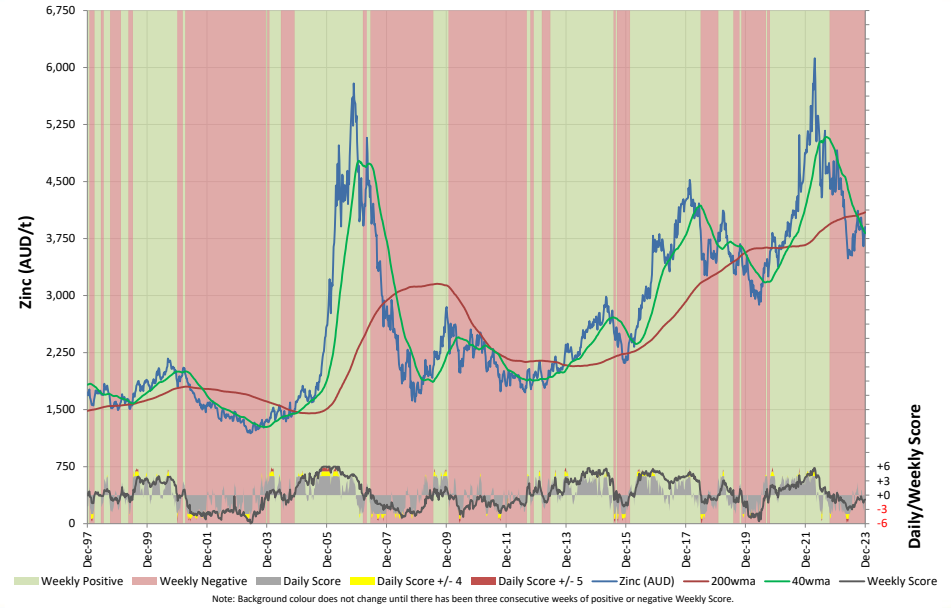
# USD Lead



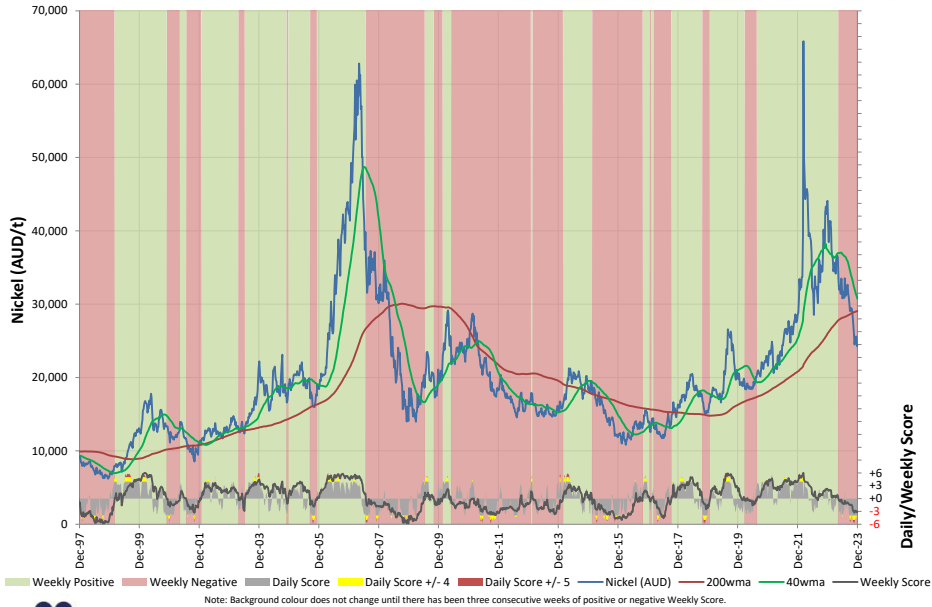
# AUD Iron Ore



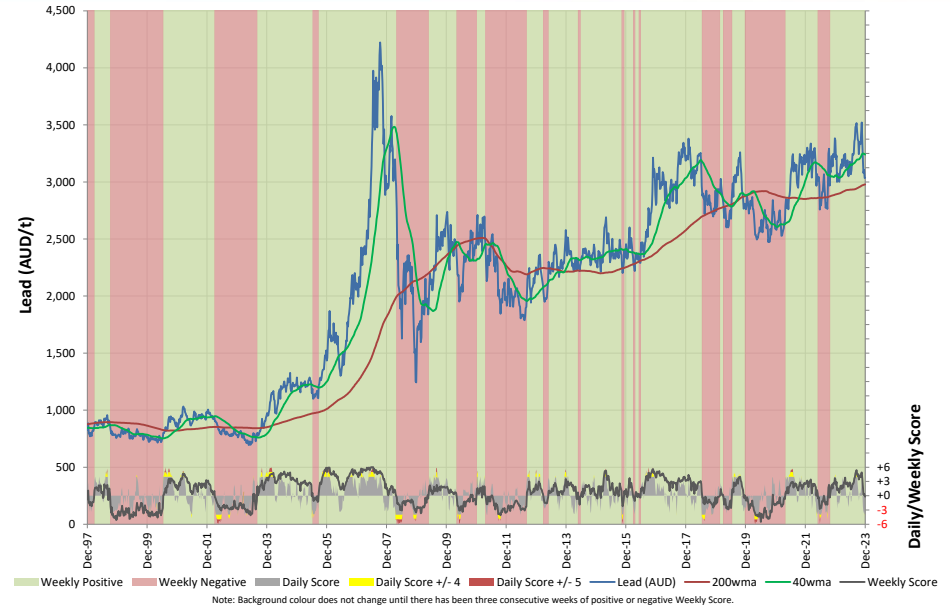
# AUD Zinc



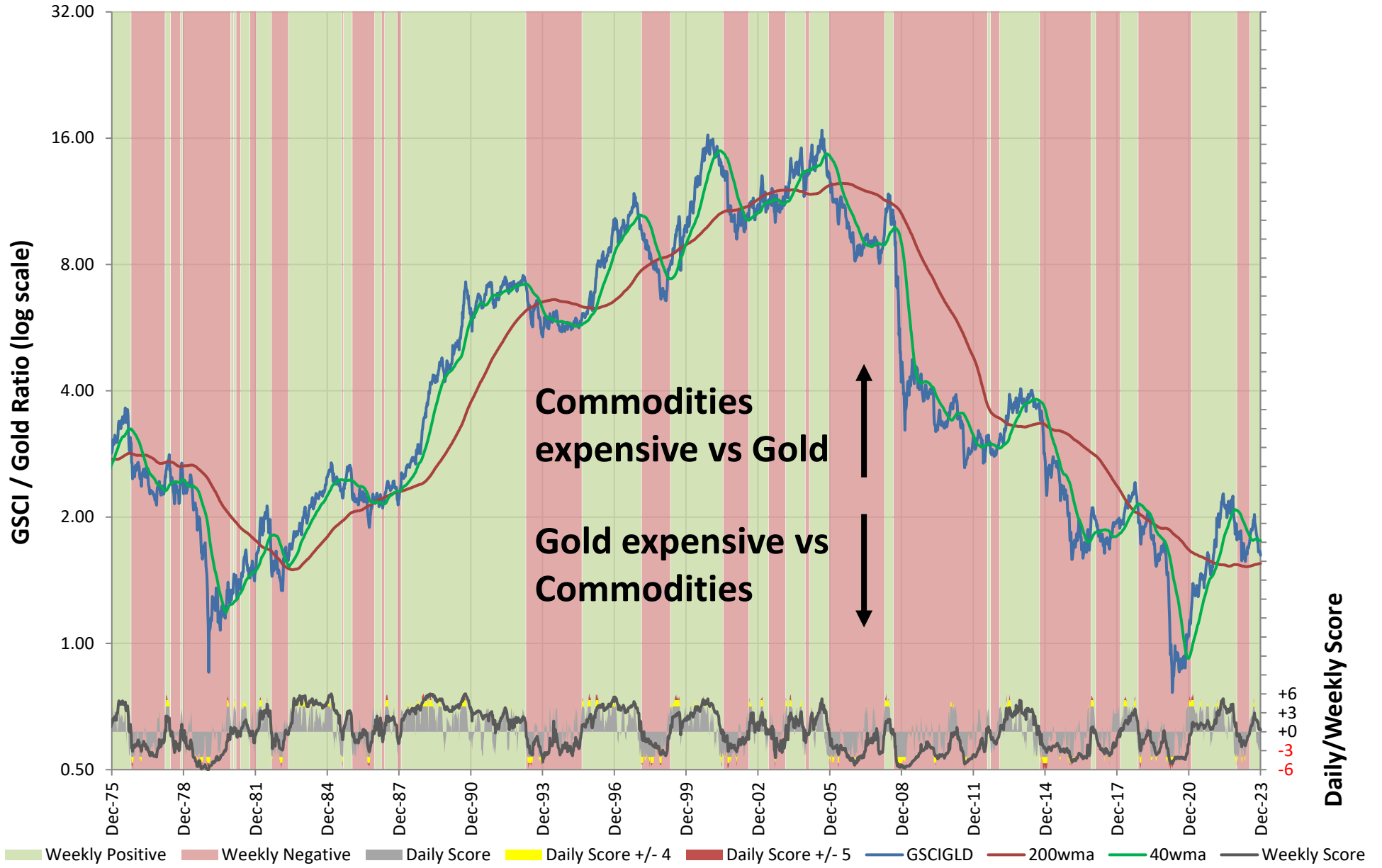
# AUD Nickel



# AUD Lead



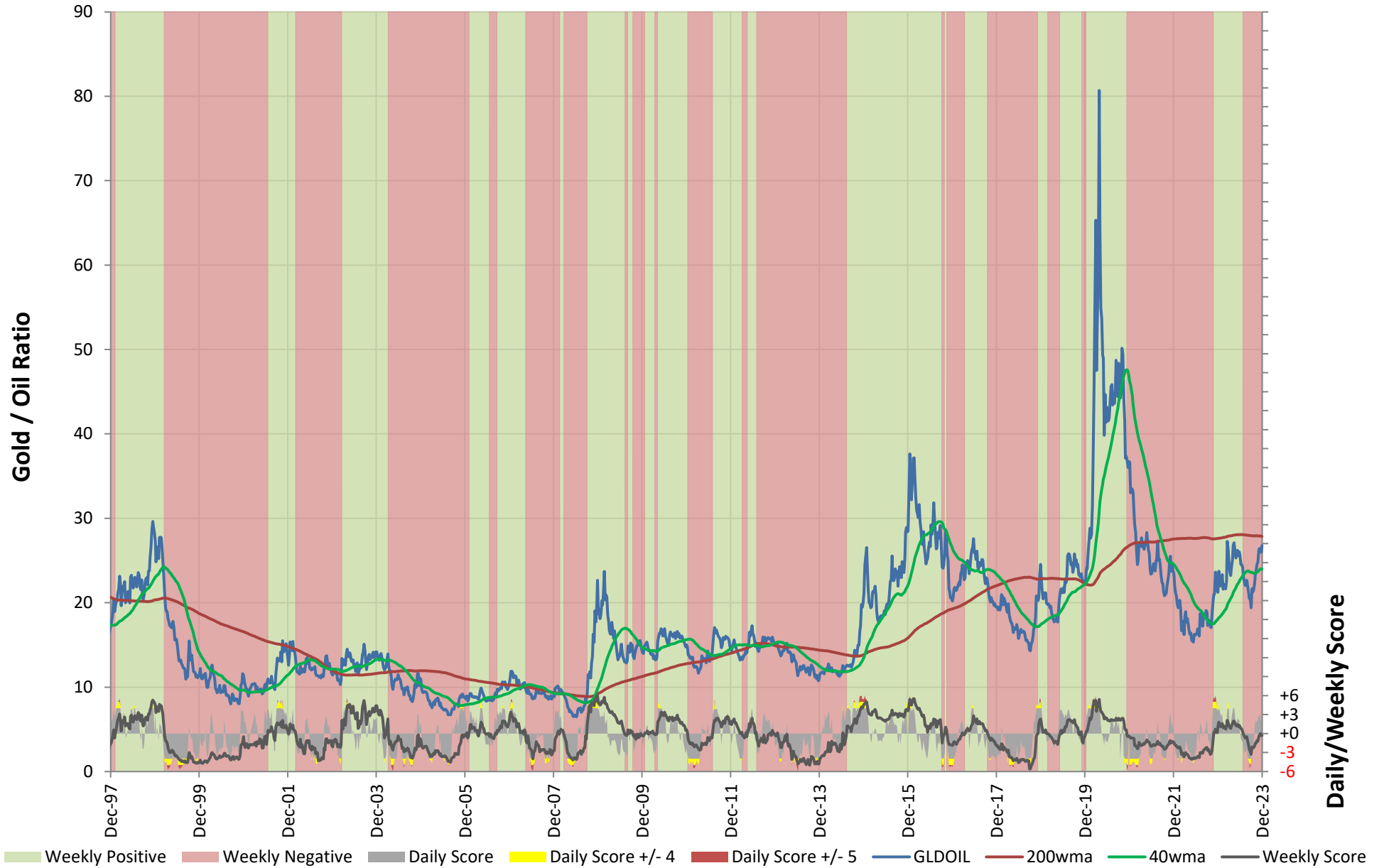
# GSCI / Gold Ratio (log scale) – Red/Green Treatment



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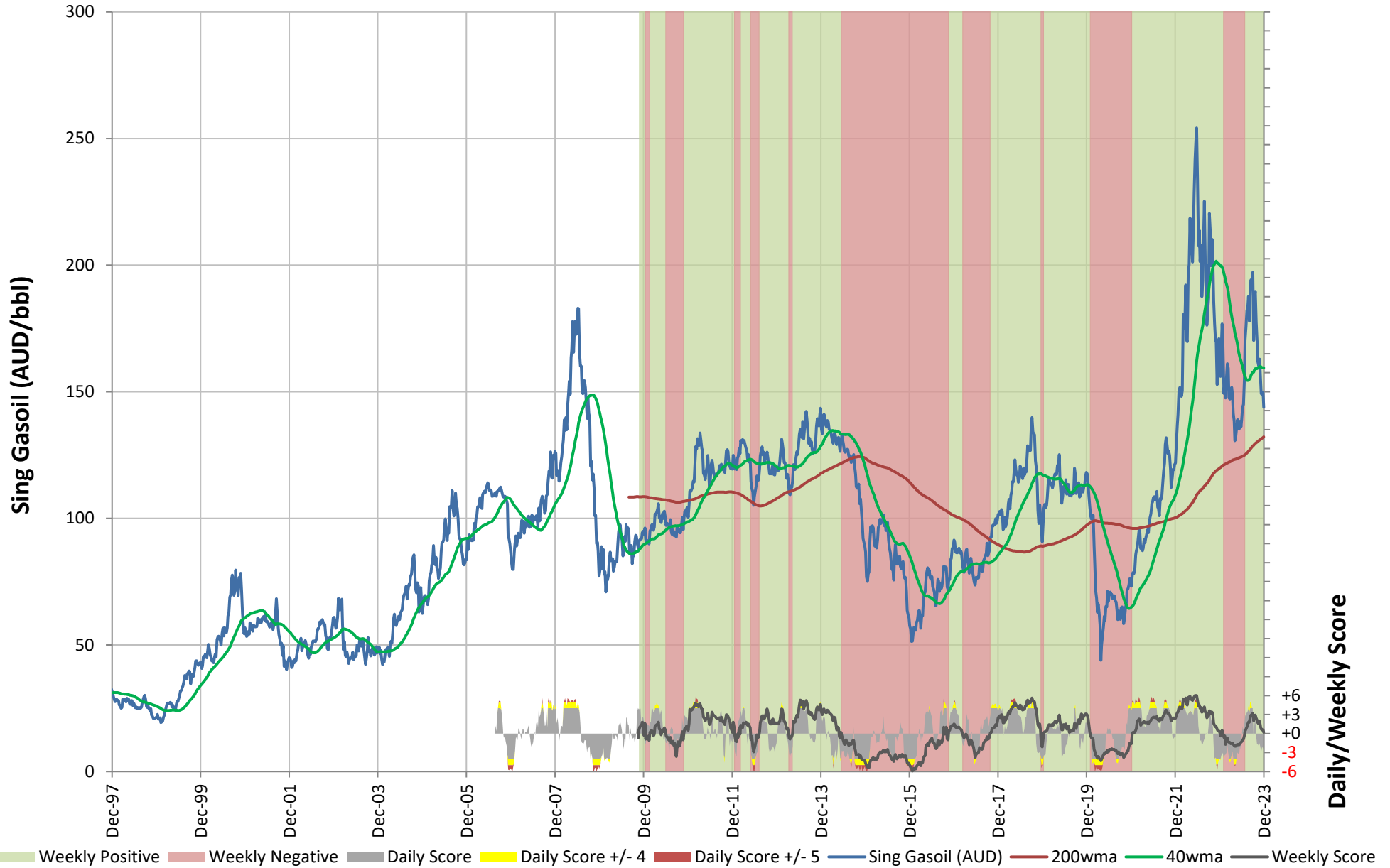
# Gold / Oil Ratio – Red/Green Treatment



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# AUD Sing Gasoil – Red/Green Treatment



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