

Investor.Coffee (09.18.2024): All Eyes on Rate Cut and Gold Climbs Amid Uncertainty

written by Tracy Hughes | September 18, 2024

Good morning, investors!

Fed Watch: All Eyes on the Rate Cut

The big headline today is the Federal Reserve's upcoming decision on interest rates. Futures are trading flat this morning as we await the Fed's first rate cut in over four years. Will it be a 25-basis-point or a more aggressive 50-basis-point cut? The market's betting on the latter, but we'll be glued to Fed Chair Powell's remarks for guidance on future moves. A softer dollar has already nudged gold prices higher, and we could see more action in the commodities space depending on how dovish the Fed turns out to be.

Gold Climbs Amid Uncertainty

Gold (spot price: \$2,573.18) is up slightly this morning as investors seek safe havens in anticipation of the Fed's decision. **Barrick Gold Corp. (TSX: ABX)** is making headlines after [suspending](#) operations at its Porgera mine in Papua New Guinea due to regional tribal violence. Operations are expected to resume by September 19, but this disruption may impact gold supply forecasts.

Global Markets

Mixed performance across global markets overnight. In Asia, **Japan's Nikkei 225** inched up (+0.06%), bolstered by a weaker yen, while **China's SSE Composite** climbed on gains in property

and financial shares. However, Europe's markets edged down slightly as traders await the Fed's rate announcement.

Futures Snapshot:

- **S&P 500 Mini Futures:** +0.08%
- **DJIA Mini Futures:** +0.12%
- **Brent Crude (ICE: BZ):** -0.41% (\$73.40)
- **USD/JPY:** -0.68% (141.45)

Company Updates:

- **Alphabet Inc. (NASDAQ: GOOGL) & Qualcomm Inc. (NASDAQ: QCOM):** Alphabet scored a [victory](#) in its EU antitrust case, while Qualcomm saw its fine [reduced](#). Keep an eye on these tech giants as legal proceedings can impact share price volatility.
- **BlackRock Inc. (NYSE: BLK) & Microsoft Corp. (NASDAQ: MSFT):** Powering up with a \$30 billion AI infrastructure fund, this [collaboration](#) signals a big push into the future of data and tech investment. Definitely a space to watch for long-term growth.
- **Intuitive Machines Inc. (NASDAQ: LUNR):** Big win with NASA—\$4.82 billion [contract](#) for lunar satellite services. Space exploration is heating up, and this contract could position Intuitive as a key player in the sector.

Quick Hit: Economic Indicators

Housing starts and building permits data for August drop at 8:30 AM EDT, followed by the Fed's much-anticipated decision at 2:00 PM EDT. Expect volatility as traders digest the numbers and Powell's commentary.

That's a wrap for today! Stay sharp, and we'll see what the Fed has in store for us.

Publisher's Note: Tracy Hughes uses a variety of sources for her daily market update series called "InvestorCoffee." This series is intended to be a brief summary of daily market highlights that the InvestorNews team finds interesting. This summary is meant to inspire research, investigation, and due diligence, and we encourage you to always seek licensed professional advice with any investment decision. While Tracy is a professional writer, she is not a licensed investment advisor. And yes, Tracy uses ChatGPT and other technology devices to help distill information and prioritize business data – while sipping her daily coffee! For more information email us at info@investornews.com.
