

Nexus between Economic Policy and Commodity Market

By

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Abstract

Background: Commodity markets are important since they influence price inflation, trade balances, and economic stability. Monetary, fiscal, trade, and environmental policies are some of the factors that influence commodity prices and market trends.

Aim: In this research, the effects of different economic policies on major commodities such as gold, crude oil, silver, and wheat are explored. This paper seeks to fill the above gaps by evaluating how these policies jointly influence market fluctuations and trading activities.

Method: In this study, descriptive data was collected and analysed on 72 observations which include the use of correlation index and multiple regression. The study also determined the impact of fluctuations in the economic policies on the price charged by the traders.

Result: The study established that gold and wheat prices rise with EPU while crude oil prices decline. The prices of silver exhibited stability with no percent variations. These results further demonstrate how economic policies affect some businesses more than others as well as the nature and extent of their effects on different types of goods.

Keywords: *Bullions: Commodity Markets, Economic Policy Uncertainty, Gold, Crude Oil, Silver, Wheat, Price Volatility, And Regression Analysis.*