



# **Weekly Commodity Insights**

# The Week That Was

- Spot Gold scaled a fresh record just over \$2,500 as recent market volatility saw investors seek refuge in the yellow metal – prices were up over 3% which was the best weekly gain since April. Disappointing numbers on the US housing market last week reinforced bets that the Fed is on track to move lower in September, helping support prices. This week, the metal's fate will be driven by jobless claims data, manufacturing PMI and the closely watched Jackson Hole symposium that begins on Thursday for guidance from the Fed Chair, but technically the trend remains supportive, for now.
- Spot silver rallied over 5% last week, marking its strongest performance since early July. The metal's rise to around \$29 per ounce, was driven by a softer U.S. dollar and heightened concerns over potential conflict between Iran and Israel. Additionally, signs of cooling inflation in the U.S. reinforced expectations of Federal Reserve interest rate cuts. Recent data indicated that both producer and consumer prices in the U.S. increased less than expected in July, with the annual headline CPI reaching its lowest reading since March 2021.
- Nymex crude oil slipped over 4% from its recent swing high of \$80.16, ending last week flat. The decline came as Qatar urged Iran to de-escalate tensions with Israel during ongoing Gaza cease-fire talks. The drop in oil prices also reflects broader concerns about weakening demand from China, the world's top oil importer. Additionally, both OPEC and the International Energy Agency (IEA) have lowered their oil demand growth forecasts due to China's economic softness. This week, attention will be focused on Crude inventory data and Flash PMI figures, which may influence crude oil prices.
- COMEX copper gained 3.8% last week, marking its best performance since July. The surge in copper prices was driven by a strike at the world's largest copper mine - Escondida in Chile - which accounts for 5% of global copper supply. If the strike continues for an extended period, it could significantly disrupt the supply chain and potentially drive copper prices even higher. Additionally, this week's U.S. new home sales data and Fed speeches may further influence copper prices.

# Summary View For The Week

Metric	MCX Gold	MCX Silver	MCX Crude	MCX Copper
Weekly Candle Pattern (+/-2)	None	Bullish Engulfing	Doji with large upper shadow	Bullish Engulfing
Candle Takeaway	None	Positive	Negative	Positive
Candle Strength (+1/-1)	High	High	None	High
Daily Momentum (+/-1)	Positive	Positive	Positive	Positive
Weekly Momentum (+/-1)	Negative	Negative	Negative	Negative
Seasonality Trend For The Week (+/-1)	Neutral	Positive	Neutral	Neutral
Money Managers' Positioning (+/-1)	Positive	Negative	Positive	Positive
Options Skew (Friday v/s 1w ago) (+/-2)	Negative	Positive	Positive	Positive
ATM Volatility Behavior (+/-1)	Positive	Positive	Positive	Positive
Correlation with USDX (v/s 1w ago)	Less negative	More negative	Less negative	Less negative
Range for Upcoming Week	69,090 – 72,600	78,550 – 85,700	6,278 – 6,893	782 - 842
Trendscore and Regime	1 (Mild Bullish)	6 (Strong Bullish)	2 (Mild Bullish)	7 (Strong Bullish)

Trendscore: 1 to 3 (Mild Bullish), 4 to 6 (Bullish), 7 to 9 (Strong Bullish), -1 to -3 (Mild Bearish), -4 to -6 (Bearish), -7 to -9 (Strong Bearish), 0 = Neutral  
 Candle strength is based on the close of the week – if the close is near the highs, then +1 (high in green) and if the close is near the lows, then -1 (high in red)

# Understanding The Insights



**Range for the Week:** Derives the most likely trading range for the week for US front-month futures based on option volatilities



**Weekly % Change:** Bars represent weekly percentage change showing price volatility over a 26-week period



**Daily/Weekly Candles:** Offers context from daily candles (3 months) and weekly candles (12 months)



**Daily/Weekly Momentum:** Shows the current state of price momentum using the slow stochastic oscillator



**Seasonal Analysis:** Bars show the performance during the current week based on decade-long data for Comex/Nymex



**Money Managers' Positioning:** Long and short futures positioning of money managers (based on \*COT data)



**Options Skew:** Shows how the demand for OTM calls and OTM puts today (white) has changed from one week prior (red)



**Open Interest Insights:** Top 5 calls and puts ranked by open interest change both for front-month contracts on Comex/Nymex

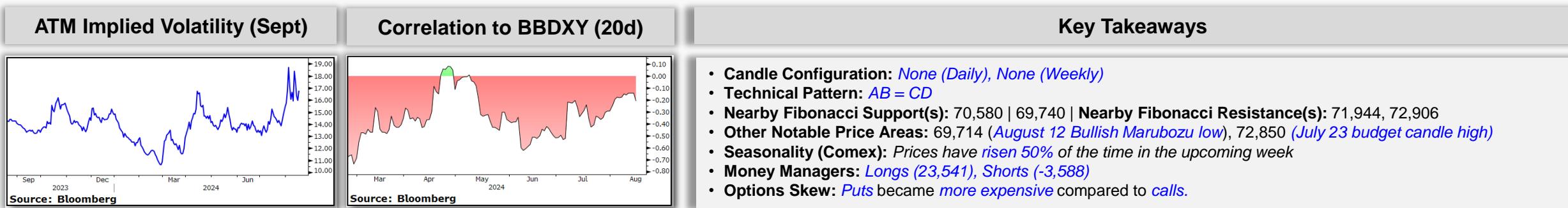
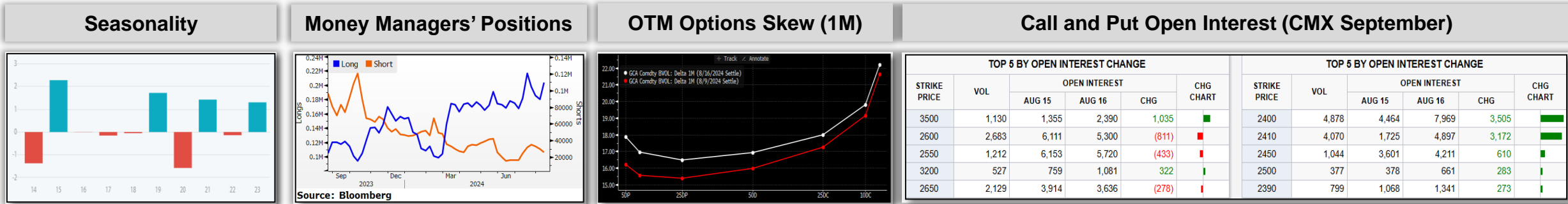
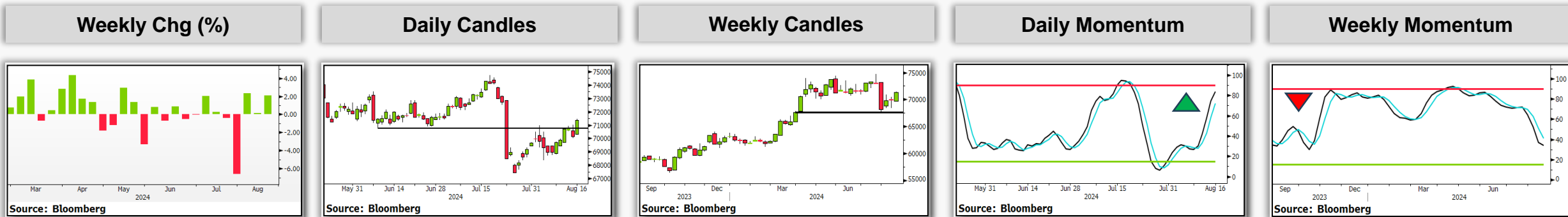


**Implied Volatility:** Shows the 12-month trend for one-week At-the-Money (ATM) implied volatility

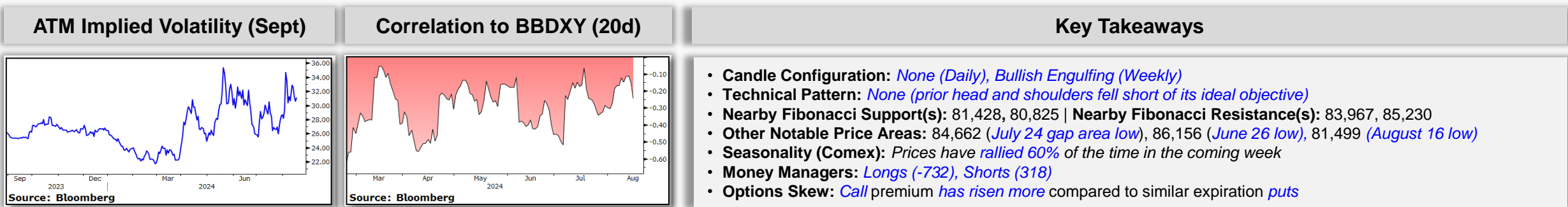
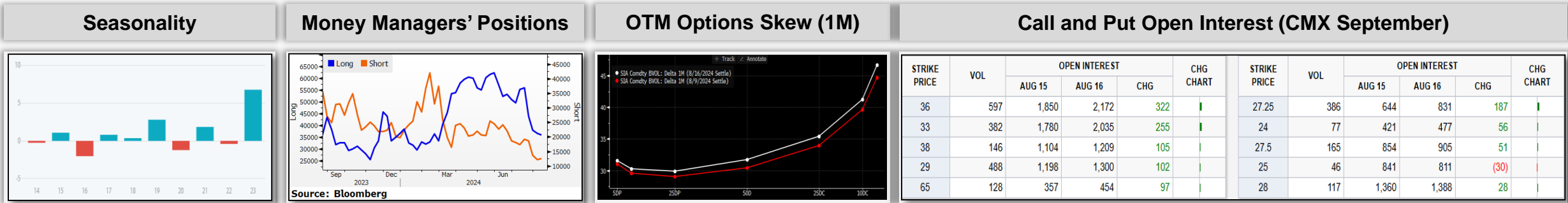
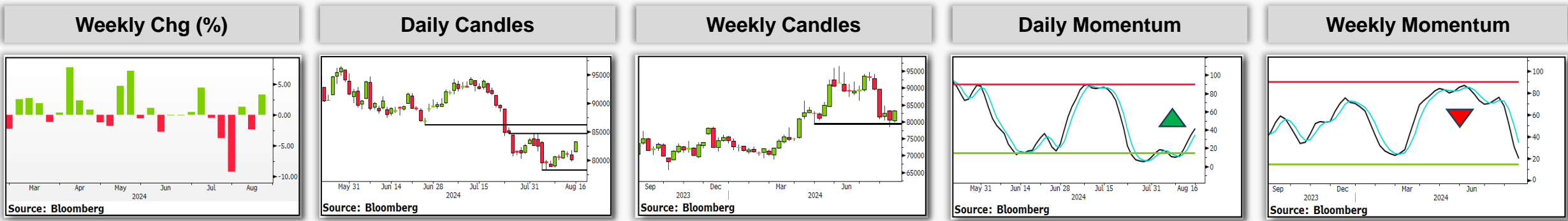


**Correlation:** Captures the 20-day rolling correlation of each commodity to the Bloomberg Spot Dollar Index

<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>	<b>Range for the Week (\$)</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
71,375	2.1	69,714 – 71,475	2,470 - 2,606	▲	▲	▲



<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>	<b>Range for the Week (\$)</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
83,213	3.3	79,800 – 83,380	27.9 - 30.7	▲	▼	▲



<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>	<b>Range for the Week (\$)</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
6,435	<b>-0.14</b>	6,350 – 6,736	74 - 79.40	▲	▼	▼

<b>Weekly Chg (%)</b>	<b>Daily Candles</b>	<b>Weekly Candles</b>	<b>Daily Momentum</b>	<b>Weekly Momentum</b>

<b>Seasonality</b>	<b>Money Managers' Positions</b>	<b>OTM Options Skew (1M)</b>	<b>Call and Put Open Interest (NMX October)</b>																																																																																								
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<b>ATM Implied Volatility (Oct)</b>	<b>Correlation to BBDXY (20d)</b>	<b>Key Takeaways</b>
		<ul style="list-style-type: none"> <li><b>Candle Configuration:</b> None (Daily), Doji with long upper shadow (Weekly)</li> <li><b>Technical Pattern:</b> Long-term Symmetrical Triangle (Bearish, invalidation at 7,322)</li> <li><b>Nearby Fibonacci Support(s):</b> 6,380, 6,222   <b>Nearby Fibonacci Resistance(s):</b> 6,544, 6,589</li> <li><b>Other Notable Price Areas:</b> 6,316 (daily Ichimoku support), 6,563 (daily Ichimoku resistance)</li> <li><b>Seasonality (Comex):</b> Prices have fallen 50% of the time in the coming week</li> <li><b>Money Managers:</b> Longs (165), Shorts (-18,966)</li> <li><b>Options Skew:</b> Puts became cheaper compared to similar expiration calls</li> </ul>



## CMP and Weekly % Change

801.45      3.2

## Previous Week's Range

773.20 – 802.95

## Range for the Week (\$)

403 - 434

## Daily



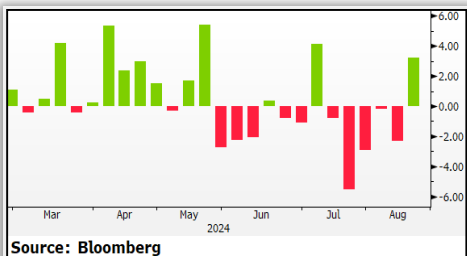
## Weekly



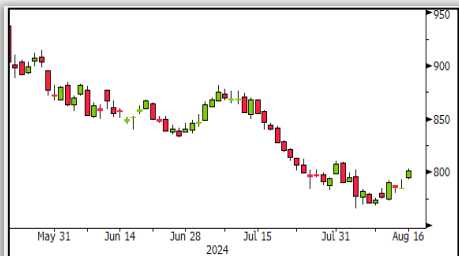
## Monthly



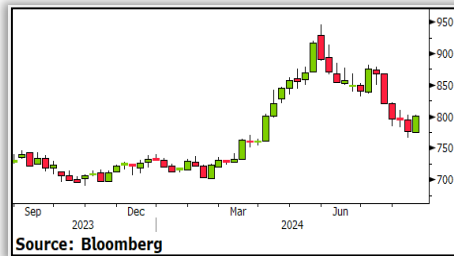
## Weekly Chg (%)



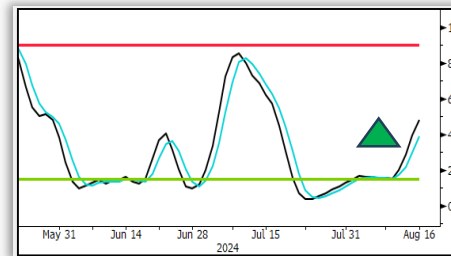
## Daily Candles



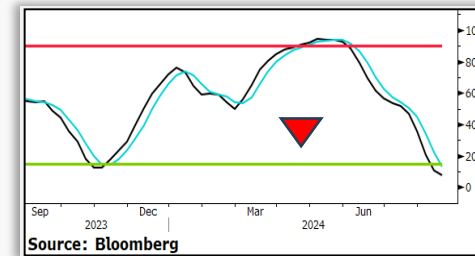
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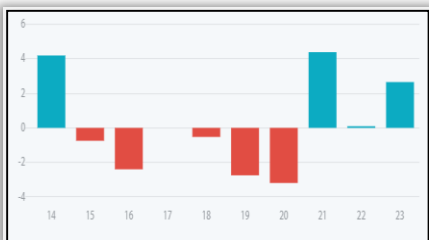
## Daily Momentum



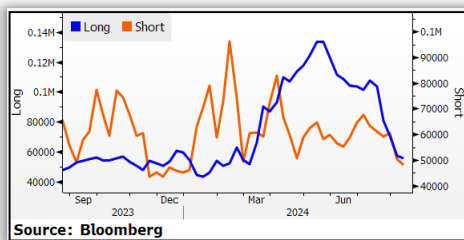
## Weekly Momentum



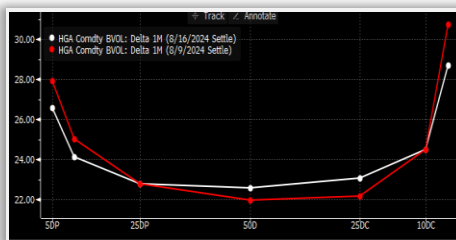
## Seasonality



## Money Managers' Positions



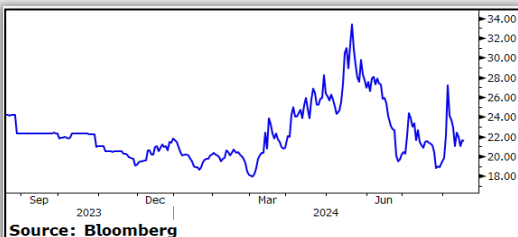
## OTM Options Skew (1M)



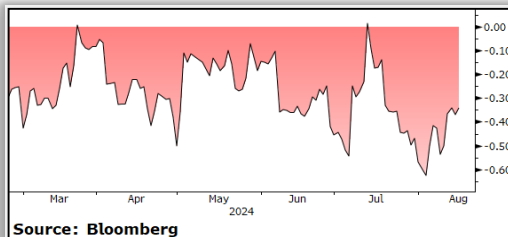
## Call and Put Open Interest (CMX September)

TOP 5 BY OPEN INTEREST CHANGE						TOP 5 BY OPEN INTEREST CHANGE					
STRIKE PRICE	VOL	OPEN INTEREST			CHG CHART	STRIKE PRICE	VOL	OPEN INTEREST			CHG CHART
		AUG 15	AUG 16	CHG				AUG 15	AUG 16	CHG	
4.3	211	2,136	2,242	106	4.05	326	648	935	287		
4.33	120	277	375	98	3.95	361	1,631	1,358	(273)		
4.25	823	1,931	1,863	(68)	3.85	84	2,023	1,971	(52)		
4.12	113	126	91	(35)	4.1	29	2,313	2,296	(17)		
4.23	33	73	106	33	3.76	12	5	17	12		

## ATM Implied Volatility (Sept)



## Correlation to BBDXY (20d)



## Key Takeaways

- **Candle Configuration:** *Rising Window/Up-gap (Daily), Bullish Engulfing (Weekly)*
- **Technical Pattern:** *None*
- **Nearby Fibonacci Support(s):** 780, 766 | **Nearby Fibonacci Resistance(s):** 810, 834
- **Other Notable Price Areas:** 783.60 (*August 14 low*), 780 (*August 13 trough*)
- **Seasonality (Comex):** Prices have *risen 50%* of the time in the upcoming week
- **Money Managers:** *Longs (-1,625), Shorts (-2,164)*
- **Options Skew:** *Calls* became *more expensive* compared to similar expiration *puts*



# Things To Know



Momentum can remain very high or very low for a very long period in strongly trending markets



Trends on higher time-frames are stronger when compared to those on lower time frames



The strongest moves occur when at least two time-frames are aligned in the same direction



Pay close attention when historical seasonality patterns are in-sync with the prevailing trend direction



Simply being overbought is no indication to sell; similarly, simply being oversold is no indication to buy



The COT report comes every Friday at 3:30 PM (EST) and reflects positioning as of the previous Tuesday



Options skew shows whether there is more demand for OTM calls or puts today (white), compared with one week ago (red)



Top 5 most active calls and puts relate to the front-month, active contract



When ATM Implied Volatility is rising (falling) it shows more (less) demand for ATM calls and puts

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