



# Weekly Commodity Insights

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# The Week That Was

- Gold posted its strongest weekly gain of nearly 6% since March 2023, driven by heightened geopolitical tensions from the Russia-Ukraine conflict. Investors sought safe-haven assets even as the U.S. dollar remained strong. Meanwhile, a surprise drop in U.S. jobless claims tempered expectations for aggressive Federal Reserve rate cuts. Gold prices will likely remain volatile with key economic events on the radar, including U.S. preliminary GDP data and FOMC minutes.
- Silver rallied over 3.5% last week, underpinned by safe-haven buying in the broader bullion complex. However, its performance lagged gold due to continued weakness in industrial metals. Escalating global tensions added to market unease, with Russian President Vladimir Putin warning of an escalating conflict following Ukraine's use of U.S. and U.K.-supplied weapons. On the monetary front, investors are carefully evaluating the Fed's next moves. Market expectations suggest a 60% probability of a 25-basis-point rate cut in December, though some anticipate a pause. These dynamics are expected to keep silver prices reactive to geopolitical and economic developments.
- Crude oil rebounded sharply, climbing over 6% last week. The intensification of the Russia-Ukraine conflict added a geopolitical risk premium, with Moscow ramping up its offensive in response to U.S. and U.K. support for Ukraine. Additional U.S. sanctions on Russia's Gazprombank further underscored the geopolitical stakes. Adding to the narrative, China unveiled new trade-boosting policies aimed at supporting energy imports, which lent additional support to prices. However, mixed signals from global markets, including concerns over potential U.S. tariff policies, could maintain volatility in the energy space this week.
- Copper prices stabilized last week after enduring a sharp decline of over 5% prior to last week. Market sentiment remains cautious, weighed down by concerns over insufficient stimulus measures from China, the world's largest copper consumer. Additionally, policy uncertainties surrounding the U.S., including potential tariffs and inflationary risks under the new administration, are keeping traders wary. Looking ahead, key data points, including U.S. consumer confidence and China's manufacturing PMI, will likely drive market sentiment. Investors are also closely watching China's upcoming decision on its one-year medium-term lending facility rate for potential indications of further policy support.

# Summary View For The Week

Metric	MCX Gold	MCX Silver	MCX Crude	MCX Copper
Weekly Candle Pattern (+/-2)	Bullish Opening Marubozu	Bullish Harami	Bullish Engulfing	Bullish Harami
Candle Takeaway	Bullish	Confirmation needed	Bullish	Confirmation needed
Candle Strength (+1/-1)	High	None	High	None
Daily Momentum (+/-1)	Positive	Positive	Positive	Positive
Weekly Momentum (+/-1)	Negative	Negative	Negative	Negative
Seasonality Trend For The Week (+/-1)	Neutral	Negative	Negative	Negative
Money Managers' Positioning (+/-1)	Negative	Positive	Negative	Negative
Options Skew (Now v/s 1w ago) (+/-2)	Positive	Neutral	Positive	Positive
ATM Volatility Behavior (+/-1)	Negative	Negative	Positive	Positive
Correlation with USDX (v/s 1w ago)	Less negative	Less negative	More negative	More negative
Range for Upcoming Week	75400 – 79900	87800 – 92900	5750 – 6300	780 - 850
Trendscore and Regime	2 (Mild Bullish)	1 (Mild Bullish)	4 (Bullish)	3 (Mild 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 OI change both for actively traded contracts on Comex/Nymex

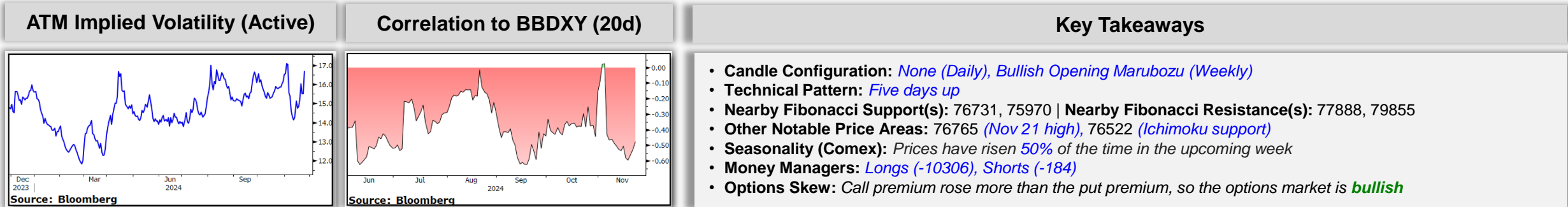
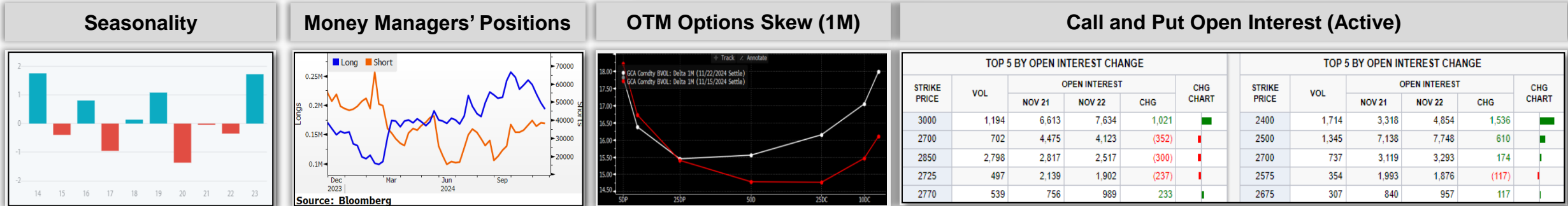
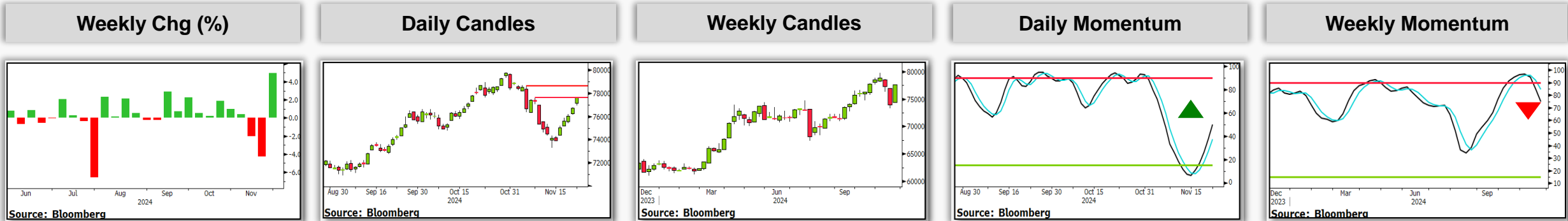


**Implied Volatility:** Shows the 12-month trend for one-week At-the-Money (ATM) implied volatility



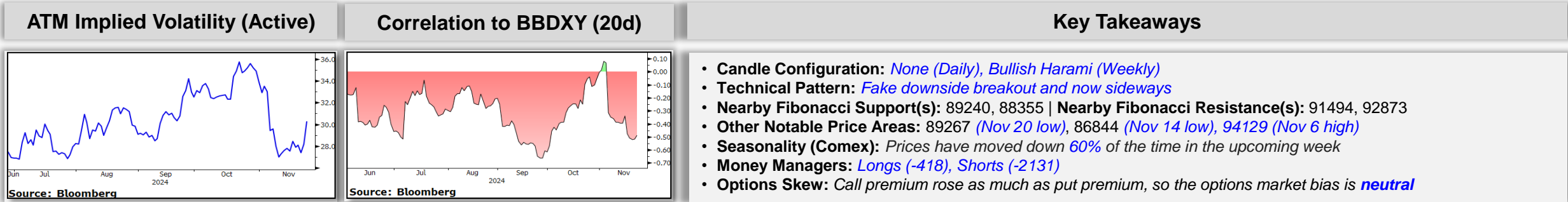
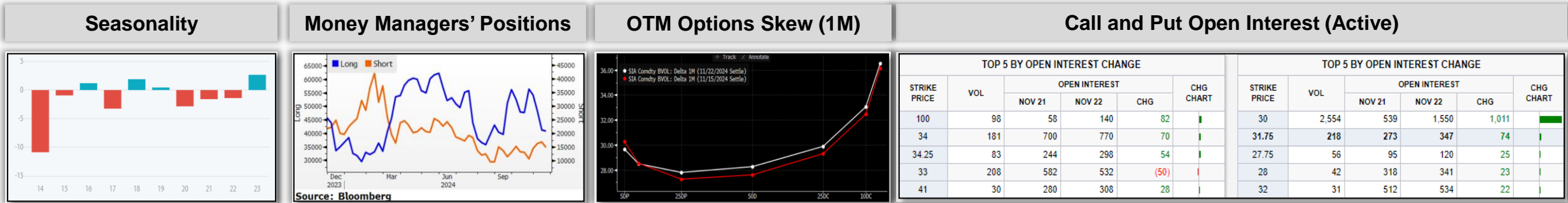
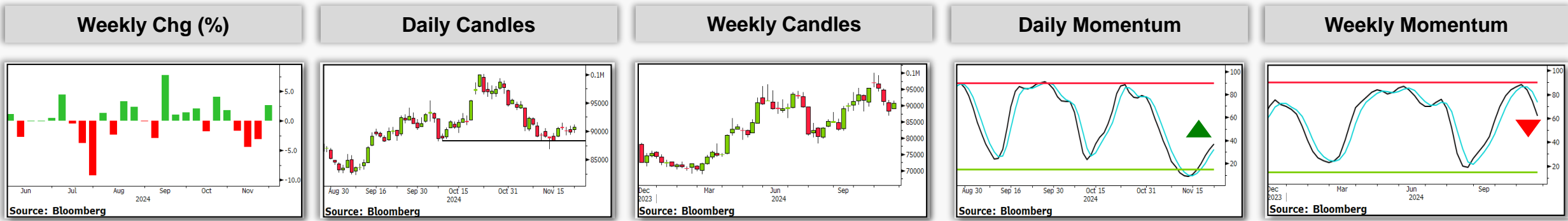
**Correlation:** Captures the 20-day rolling correlation of each commodity to the Bloomberg Spot Dollar Index

<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>
77,616	5.0	74,349 – 77,685		2,671 - 2,804		▲	▲	▲



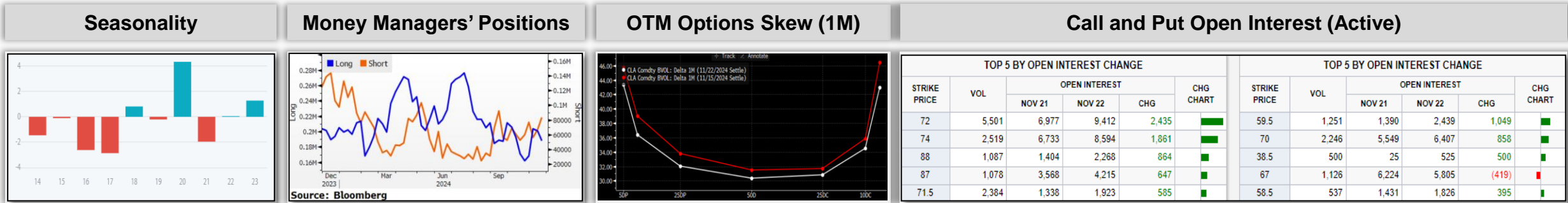
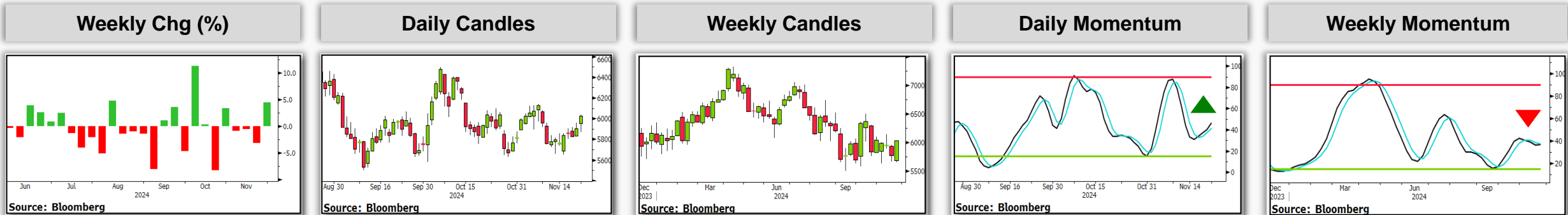
Green color in the Previous Week's Range shows which of the high or the low came first

<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>
90,768	2.7	88,942 – 91,450		30.4 – 33.3		▲	▼	▲



Green color in the Previous Week's Range shows which of the high or the low came first

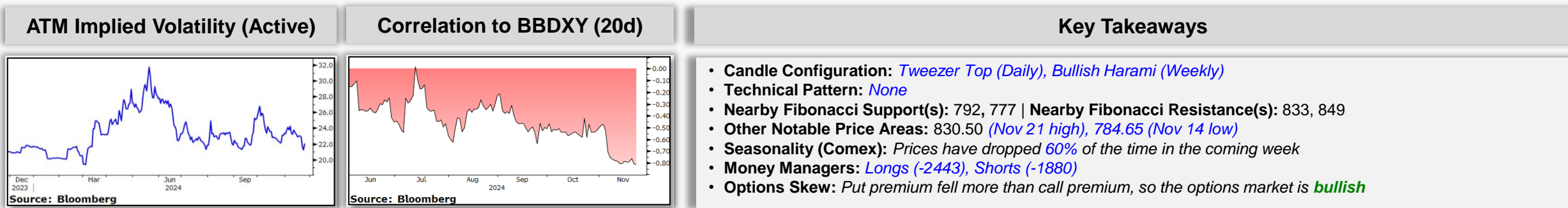
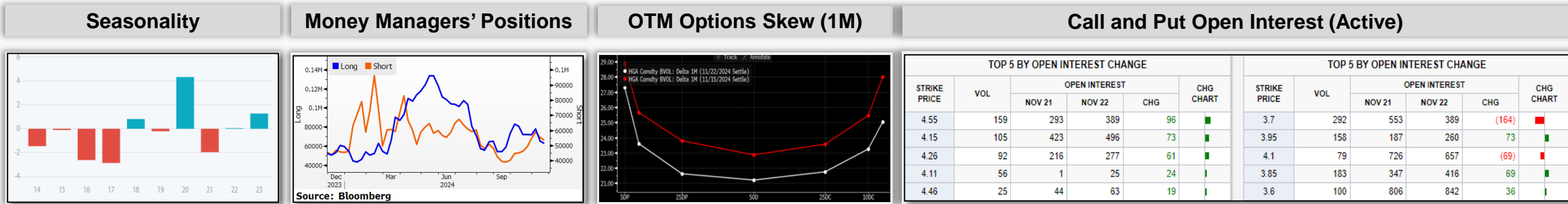
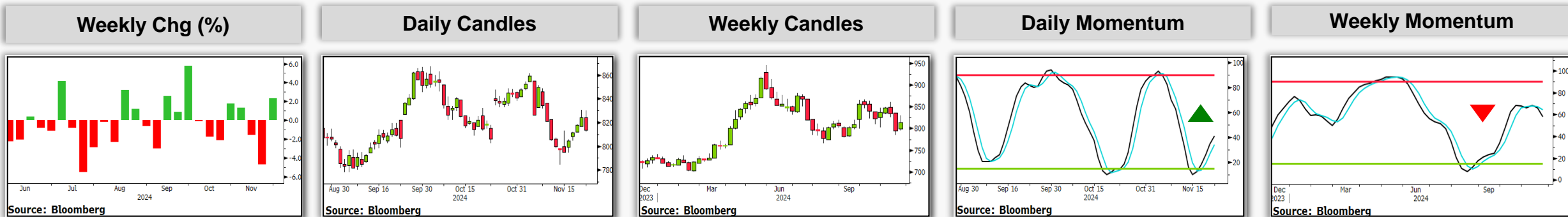
<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>	<b>Range for the Week (\$)</b>	<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
<b>6,028</b>	<b>4.5</b>	<b>5,628 – 6,035</b>	<b>67.9 – 74.8</b>	▼	▼	▼



Green color in the **Previous Week's Range** shows which of the high or the low came first



<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>
813.75	2.3	794.60 – 830.50		399.2 – 428.0		▲	▼	▼



Green color in the Previous Week's Range shows which of the high or the low came first



# 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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