

15 June 2024

# COMMODITY WEEKLY REPORT

## GOLD



Comex Gold spot has remained steady over \$2300 level, posted gains after three consecutive weekly decline, managed to close at \$2332. On the other side, MCX Gold July contract surged by +0.86% and settled at 71965 last week.

Gold price has gained its upward momentum in previous week post better-than-expected US Inflation and PPI data which is indicating inflationary pressure. FOMC has announced its latest Interest rate which remains at 5.50%, expecting only one rate cut this year. On 4-hourly chart, Gold future has remained in downward channel, taken support over 20-EMA level placed at 71655. Immediate resistance would be at 72300 and if price surpass this level, we may expect further bull move towards 73000. Dollar Index (DXY) has rebounded substantially over 200-DMA level placed at 103.93 and closed at 105.11, surged by 118 basis point in last two sessions itself. On the other side, 10-Year Bond yields continued to decline for 2<sup>nd</sup> consecutive week, declined by 21 basis points which has given additional push to Gold prices.

The overall trend in gold price is expected to continue moderately bullish in the coming week, and traders should keep an eye on key US economic data such as Retail Sales, Flash Manufacturing and Services PMI, and Unemployment claims, which are scheduled to be released next week,

Support 2	Support 1	CMP	Resistance 1	Resistance 2
71,100	71,665	71,965	72,300	73,000

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## SILVER



MCX Silver future has been traded back & forth over the course of the week, rebounded from its support low and managed to settle at 89090, Comex Silver spot has found support over \$28.66 and managed to settle at \$29.54.

Like Gold, Silver price has experienced profit booking in past week due to unchanged FOMC Interest rates and hawkish stance of Fed, projecting rate cut by 25 basis points this year. On Weekly chart, after a previous week's move, Silver price has formed an Spinning Top candle which suggests indecisive behavior of traders. On Daily chart, Silver price has remained over 50-DMA level placed at 86670. Here, we can observe formation of Falling wedge formation. Breakout over resistance line will give push to further upward trend in Silver price where key resistance would be at 91200 – 93000 respectively.

Gold / Silver ratio which is also known as Mint Ratio, has sustained over 20-DMA level placed at 78.33 and managed to settle at 78.92.

RSI levels has remained weaken in past week on 4-hourly and Daily chart chart, where it has trailed below 50 levels. Also, we can observe convergence on MACD lines alongside declining positive histograms which collectively suggest negative biasness in Silver price. Traders may look forward for key levels for further course of price action in Silver.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
86,670	87,800	89,090	91,200	93,000

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## CRUDE OIL



Friday's 0.2% drop in WTI crude futures to \$78.45 a barrel came in response to a drop in US consumer confidence that had reached a seven-month low in June. The market's uncertainty over the timing and magnitude of US rate reduction was surpassed by the likelihood of higher summer fuel demand in the coming weeks. WTI ends the week up 3.9% at \$78.45 a barrel. With a 3.97% increase, the bullish candle represented market strength at the weekly closing price of 6,550 points.

Prices of crude oil Friday's results showed slight losses. Energy prices were impacted by the dollar index's 6-week high on Friday. Additionally, Friday's less positive than anticipated global economic data was negative for both oil prices and energy consumption. Positive carryover from Thursday, when Russia pledged to reduce its crude production, kept losses in the oil market in check. A series of sideways candles on the daily chart suggested that the market is unsure. But in the upcoming days, the daily chart's 200 EMA can offer resistance, which would have an impact on the price of crude oil. The support level for commodities is between 6,390 and 6,220, with a brief resistance level at 6,715.

The weekly Crude Oil (MCX July) forecast, based on technical analysis, shows a sideways to positive trend. Traders and investors should evaluate price fluctuations over the next week to predefined levels in order to make well-informed judgements.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
6220	6390	6550	6715	6870

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## NATURAL GAS



Natural gas futures in the US have fallen for the third day in a row from their highs earlier this week due to weather-related demand. July natural gas prices Friday showed slight losses. Updated weather forecasts calling for milder US temperatures, which will reduce air-conditioning consumption, dragged on natural gas prices Friday. The futures price drop happened despite expectations for hotter weather until the end of June, which should increase the amount of gas power generators used to keep air conditioners running. The NYMEX front month ends down 2.6% at \$2.881/mmBtu, representing a 1.3% weekly loss. The MCX Natural Gas June contract settled at 2414 on Friday.

The daily chart shows that NYMEX Natural Gas is currently trading above the 100- and 200-EMA resistance levels of \$2.32 and \$2.47, respectively. The weekly chart shows a shooting star candle 100 EMA, indicating potential weakness. Similarly, on the daily chart, the MCX Natural Gas futures market is trading below the resistance level at 261. The four-hour and daily charts show the RSI oscillating between 36 and 45 points. On the daily chart, support is near 232 levels, while 261 and 271 provide temporary resistance.

Based on technical analysis, the weekly recommendation for the MCX June Natural gas futures contract points to a bearish market. Traders and investors can make more informed judgements by comparing price changes over the coming week to the recommended levels.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
220	232	241.40	261	271

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## COPPER



Copper prices fell to their lowest level in more than two months on Friday, weighed down by a strong dollar and swelling stocks, indicating a supply surplus. Copper has fallen 12% since reaching a record high of \$11,104.50 last month following a rise fueled by speculators and investment funds. The dollar strengthened, despite the fact that the US producer price index (PPI) declined unexpectedly in May, indicating that pricing pressures are receding. On Wednesday, the US consumer price index (CPI) for May was likewise lower than predicted. Copper plummeted to a four-week low of 4.4950 USD per pound. MCX Copper closed the week at 856.9, up 0.37%.

The 200-EMA level of 852.7 provides immediate support for the 4 hourly copper price. If the market continues to trade over this barrier, copper prices could advance to the 882-897 region, keeping them above the current level of 862.

A higher dollar weighed on metals, making commodities purchased in US dollars more expensive for buyers in other currencies. Copper prices created an inverted hammer candle on the weekly chart, indicating strength, while the RSI, a momentum indicator, formed a foundation around 63 levels. According to prior technical analysis, copper is projected to rise higher in the coming week if it remains above 862.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
830	852	856.90	882	897

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