

6 January 2024

# COMMODITY WEEKLY REPORT

## GOLD



Gold has paused its bullish momentum in past week, having throwback from its peak and managed to settled at 62557. On the other hand, Comex Gold closed below \$2045.

Gold price came across firm above the resistance line of the Rising channel formed on the Daily chart and has remained below the 20-DMA level of 62600. However, price has found support over uptrend line. Also, price has remained over 23% of Fib. Retracement level placed at 62285. On the downside, significant levels would be at the 50 and 100-DMA levels, which are situated at 61766 and 60837, respectively. If the price breaks through these levels, the gold price may continue to fall in coming sessions.

After a consecutive fall, US 10-Year Treasury rates increased by +4.76% and remained over 4%. Likewise, the Dollar Index has recovered from its lows and is now trading above the 102 mark, having gained +1.17% in the previous week. The main cause for this spike is the release of better-than-expected US economic data the previous week.

RSI levels have been retraced from the peak, however, remained over 50 level. Also, we can observe bearish crossover on MACD along side emergence of Positive histograms

Support 2	Support 1	CMP	Resistance 1	Resistance 2
61,500	62,010	62,557	63,080	63,655

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## SILVER



MCX Silver future has continued to decline for second consecutive week, plunged by -2.48% and closed at 72587. On the other hand, Comex Silver has remained at \$23.18.

On Daily chart, Silver price has formed Ascending Wedge formation and heading towards the support line of Wedge. Breakthrough of the Support line will accelerate further downside momentum in Silver price. Price has sustained 200-DMA level placed at 71636 past week. On higher side, key levels would be at 50 & 100-DMA level placed at 73539 – 72902 respectively.

Gold / Silver ratio which is also known as Mint Ratio, has break through its previous hurdle levels and started trailing over 88 level. Key support on ratio would be at 50-DMA level placed at 83.60. Surge in GSR would be unfavorable for the Silver price.

In both the Daily and Weekly charts, the momentum indicator, RSI, has been trailing below 50. In addition, there is a Bearish crossover on MACD above the Zeroline, as well as falling histograms, indicating a bearish bias in the Silver price as a whole.

If price break through its support levels, we may expect further decline in Silver in upcoming sessions. Traders may keep an eye on US data release of CPI, PPI and Unemployment Claims for further course of action.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
70,445	71,627	72,585	73,940	75,000

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## CRUDE OIL



The analysis of the CRUDEOIL Jan Weekly chart suggests a sideways market. The week began with a gap down candle at 5,967 levels, which was followed by a rise to a high of 6,036 the next day. The weekly closing price was 6,127 points, showing a 2.01% increase and a Hammer Type candlestick pattern, indicating support strength.

On the plus side, tensions in the Middle East remained high, with persistent shipping concerns in the Red Sea and an attack on a memorial ceremony in Iran that killed almost 100 people, as well as protests that halted output at Libya's largest oilfield. With huge builds in petrol and distillate stocks, the EIA's weekly inventories data was viewed as gloomy. The price has broken out of a falling channel pattern on the daily chart. This falling trend line may act as support in the following days, influencing the direction of CRUDEOIL prices. According to the analysis, commodities resistance might be found between 6,150 and 6,210. The study indicates that the commodities resistance may be observed between 6,150 and 6,210. A potential rising trend, however, necessitates ongoing trade activity above 6,210 levels. It is possible to find near-term support around the 5950 level.

A weekly recommendation is provided based on the technical analysis: Buy MCX Crude Oil Jan between 6,150 and 6,050, with a stop loss at 5,800 and a target range of 6,360-6,610. Traders and investors should actively monitor price movements in respect to the stated levels throughout the following week in order to make educated decisions.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
6000	6150	6128	6360	6610

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## NATURAL GAS



Natural gas futures recover from early losses and reach their highest level since Thanksgiving week. Colder weather forecasts for January, following an unusually mild December, have fueled recent increases. Natural gas for February delivery settles at \$2.892/MMBtu, up 2.6% on the day and 15% from the previous week, and MCX Natural Gas settled at 236.8.

On the Daily chart, the NYMEX natural gas price has held below the 200-EMA resistance level of \$2.99. On the weekly chart, price has formed a Bullish candle, indicating strength.

Similarly, the MCX Natural Gas futures are trading above the 200-EMA of 219.1 and are currently trading inside the previous day's candle. The RSI is tracking over 60 on the daily and 4-hour charts, signaling strength. The price is observed consolidating near the crucial 50 and 100 EMAs, which are located at 236.4 and 236.9, respectively, on the Daily Chart.

We might predict more increases to 248-259 levels if natural gas prices break through their immediate resistance levels of 50 & 100 EMA. Between 224.20 and 219.10 would be the principal level of support.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
219.10	224.20	236.80	248	259

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## COPPER



The Copper Jan Weekly chart analysis indicates a bearish market. This week, MCX Copper fell by more than 1.35% to close at 720.3. Copper futures on the CMX fell more than 2% to \$3.81 a pound.

Copper futures have failed to hold the critical support level of 727.05 and have begun to slide towards 720. On Friday, copper prices failed to gain traction as investors balanced supply concerns for the metal against shifting expectations for Federal Reserve interest rate cuts.

The 200-EMA levels, which are at 727.05, present immediate resistance for the copper price on the Daily chart. If the market remains below these resistance levels, the copper price could fall below 708.8.

The Dollar Index has risen in value during the last week, surpassing 102.4. Commodities priced in US dollars will suffer as the DXY rises more.

The RSI, or momentum indicator, has declined from recent highs and is currently trading at 46, indicating that the copper price has a bearish bias. Based on the preceding analytical analysis, we forecast a bearish trend in copper in the coming week.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
707.70	717.80	720.70	727	733.60

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## USD/INR



After a subsequent fall in past weeks, Dollar Index has rebounded from its dips support and managed to settle near 102 level. In previous week's surge, DXY has marked high at 102.73 and corrected from this level, adjusted dovish bets post the release of December's Non-Farm Payroll and ISM PMIs data. Immediate resistance would be at 50-DMA level placed at 102.92. The key support would be at 101.56 – 101.10.

USD/INR has traded back & forth over the course of the week, struggled over 83.42 level and closed on a negative note at 83.22. The rate has remained below all key moving averages i.e. 50, 100 and 200-DMA level placed at 83.41, 83.45 and 83.36 respectively. Key support would be at 83.03.

Support 2	Support 1	CMP	Resistance 1	Resistance 2
83.01	83.13	83.22	83.36	83.44

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