WEEKLY COMMODITY MARKET REPORT

COMMODITY RESEARCH DESK

PL Capital
PRABHUDAS LILLADHER

WEEK OF 16 – 20 NOVEMBER 2026

HIGHLIGHTS

Gold fell 8.91% and silver fell 15.35% in dollars even though US bond yields fell, so the selling was not about interest rates. US shares fell for five days running and investors sold the metals to raise cash. US natural gas rose 5.6% on a colder forecast.

BULLION

Gold closed ₹1,21,778 and silver closed ₹1,47,813. In dollars gold fell 8.91% to $3,537.83 and silver fell 15.35% to $41.222. Gold fell in every session, and both finished close to their lowest prices of the week.

RATES AND THE DOLLAR

The ten-year yield fell 19 basis points to 4.950%, back below 5%. The dollar index rose 0.42% to 103.84 and touched 103.97, its highest since April 2025. The rupee rose to ₹92.67, its strongest in seven months.

CRUDE OIL

MCX December crude closed ₹7,695, down 7.09% on the week. US crude stocks rose 3.4 million barrels to 417.8 million against about 1 million expected, and Brent fell for a third straight week.

NATURAL GAS

MCX gas closed ₹306.60, down 0.45%. The US contract rose 5.6% to $3.411, its highest since June, after storage added 20 billion cubic feet against 27 expected.

BASE METALS

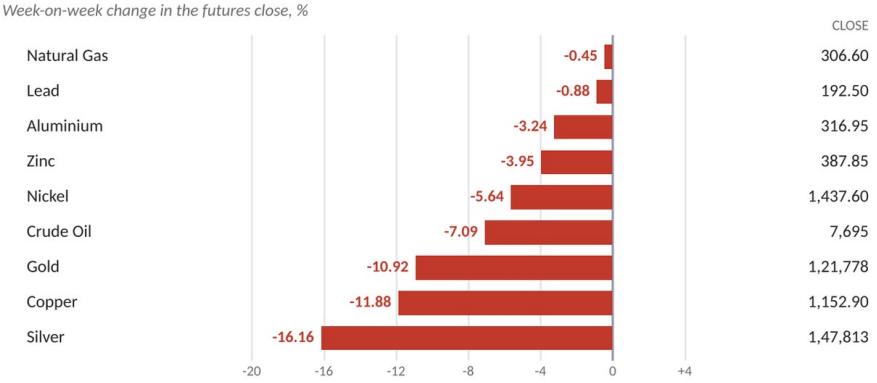
MCX copper fell 11.88% to ₹1,152.90, zinc fell 3.95% to ₹387.85 and aluminium fell 3.24% to ₹316.95. London copper fell 10.1% to $12,231 a tonne, its biggest weekly fall in nineteen months.

POSITIONING

Gold funds cut 24,000 contracts to 166,100 in the week to 17 November, the biggest cut since February, and silver funds cut to 18,300, the least in two years. In London funds cut all three metals, copper by 1,936 lots to 16,149.

Exhibit 1: MCX weekly performance

Week-on-week change in the futures close, %



Reference contract on the desk's working-day rollover rule, same contract month on both dates.

Source: MCX.

THE WEEK IN COMMODITIES

Gold and silver fell in a week when the usual reason for them to fall went away. Last week the ten-year bond yield rose above 5% and pulled gold down with it. This week the yield dropped back below 5%, which on its own should have helped gold, and gold fell harder than the week before. When a metal falls while the thing that normally drives it moves in its favour, the selling is coming from somewhere else.

It came from the stock market. US shares fell for five days running as investors questioned how much the spending on artificial intelligence will earn, and strong results from Nvidia on Wednesday did not stop its shares falling. A fund that loses money on shares has to find cash, and it sells what it can sell quickly at a profit. Gold and silver had both risen a long way over the past year, so they were sold. Bond yields fell because the same investors bought government bonds for safety, and the dollar rose for the same reason.

The Federal Reserve added to it on Wednesday, when the minutes of its October meeting showed nearly every member expecting a rate rise in December. As shares fell, the market scaled that back: the odds of a half-point rise fell from 18% to zero, and the total rise expected over the next year dropped from about 87 basis points to about 60. A quarter-point rise on 8–9 December is now the only move priced.

Silver fell nearly twice as far as gold because it was hit from two sides. It is sold with gold when investors need cash, and it is sold with copper when industry looks weaker, because most of it goes into factories. The gold to silver ratio rose from 79.7 to 85.8, which is silver getting cheaper against gold.

The selling came from funds trading futures, not from people who hold the metal. Holders of gold funds kept almost all their bullion, Indian dealers charged a premium on the fall rather than a discount, and Chinese buyers paid record prices for copper delivered now. A fall driven by futures funds ends when their selling ends, and the physical demand underneath is the level the price comes back to.

Oil fell again, and this time freight disagreed with it. Tankers were struck in the Strait of Hormuz and the cost of hiring one rose for the first time in six weeks, while the barrel fell because US stocks are building and the International Energy Agency expects more oil than the world needs this quarter. Freight usually turns first, so a second week of rising freight would be the first sign that war risk is coming back into the price.

Gas rose in the US on the weather. Forecasts turned colder for the central and eastern US in the last week of November, and demand is expected to rise sharply next week. The MCX contract ended almost flat because the rupee's rise absorbed part of the gain and the US contract settled after the Indian session had closed.

Copper and aluminium moved further apart. Copper's shortage has gone in London even as China pays record premiums for metal, while aluminium's has become the tightest the exchange has seen, with one holder controlling much of the metal on offer. The first is a selling opportunity for funds; the second is a squeeze that lasts until new metal arrives.

The week ahead is short and the figures come early. US personal spending and prices, the Federal Reserve's preferred inflation measure, come on Wednesday with the revised growth figure and durable goods orders, and US markets close on Thursday for Thanksgiving. Thin trading around a holiday makes moves larger in both directions. The selling in gold and silver stops when the stock market stops falling, and the first sign of it will be gold rising on a day when shares rise too.

PRECIOUS METALS

WEEK OF 16 – 20 NOVEMBER 2026

GOLD · MCX DEC	SILVER · MCX DEC	GOLD · SPOT	SILVER · SPOT	GOLD : SILVER
₹1,21,778	₹1,47,813	$3,537.83	$41.222	85.8
▼ −10.92% per 10 g	▼ −16.16% per kg	▼ −8.91%	▼ −15.35%	▲ +6.1

GOLD

The fall was driven by futures funds, not by long-term holders: funds trading on paper made their biggest cut since February while the largest gold fund barely changed its holding. Selling forced by margin calls ends when the calls end; a fall driven by savers leaving can run for months.

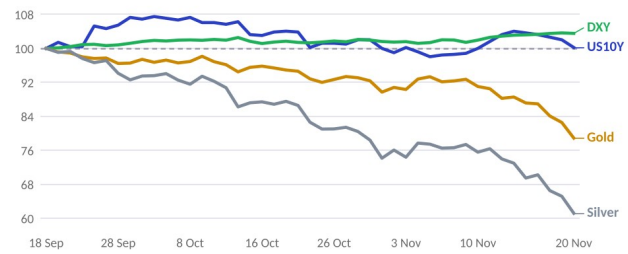
Physical buyers came in on the fall. Indian dealers charged a premium of up to $17 an ounce this week as local prices fell to their lowest since November 2025, and Chinese dealers charged $9 to $13. MCX gold costs 0.46% more than imported metal, against 1.06% a week ago, so futures traders are not yet paying up the way dealers are. This buying sets the floor once the funds have finished.

SILVER

Silver's industrial side is weakening: world demand is now forecast 5% lower this year, with less going into Chinese solar panels and jewellery. Two signs point the other way. London's cost of borrowing silver rose 9 basis points on Friday, small and from a low level, but lease rates rise when metal is hard to find, and Shanghai exchange stocks fell 74 tonnes in the week to 1,262 tonnes. When metal is drawn down while the price falls, the selling is in paper, and recoveries from paper selling are quick.

Exhibit 2: Bullion, the dollar and US yields

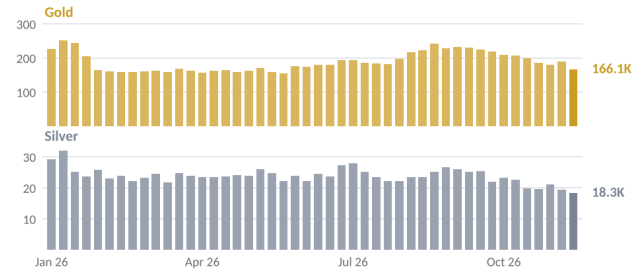
Rebased to 100 at the 18 September close, by trading session



Source: MCX, PL Capital daily reports.

Exhibit 3: Speculative positioning

COMEX non-commercial net position, '000 contracts, to 17 November 2026



Source: CFTC Commitments of Traders.

RATES AND THE DOLLAR

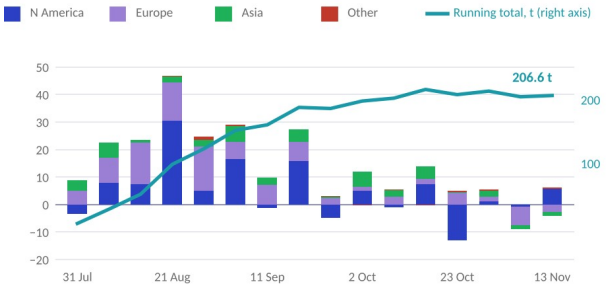
Gold normally falls when US yields rise and rises when they fall. This week the ten-year yield fell 19 basis points and gold still fell, because investors sold gold and bought bonds together to get out of shares. With the half-point odds gone, rates are no longer working against gold, and once shares steady gold is left facing a lower yield, the setting for a rebound.

SPECULATIVE POSITIONING

These funds trade on paper, never take delivery, and move first. Gold's cut 24,000 contracts in the week to 17 November, the most since February and before the three heaviest days, so the true cut is larger; they still hold 166,100, about 12,000 above the May low. Silver's hold 18,300, the least in two years. Silver has little left to sell, so a short-covering rise can be sharp; gold has room for one more leg.

Exhibit 4: Gold ETF flows by region

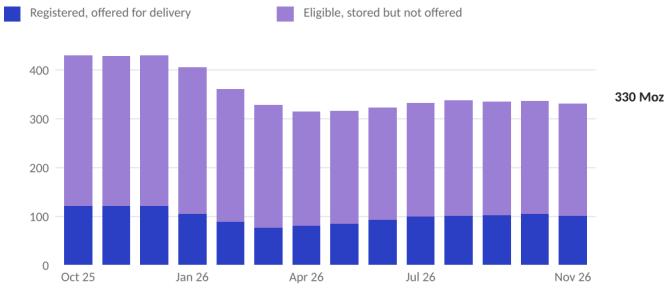
Weekly net flows, tonnes, to 13 November 2026



Source: World Gold Council.

Exhibit 6: COMEX silver inventory

Warehouse stocks, million ounces, month end and latest week, to 20 November 2026



Source: COMEX.

INVESTMENT DEMAND

A gold fund holds real bullion, so its flows show what long-term investors do. Regional funds added 2.0 tonnes in the week to 13 November, led by 5.8 in North America, and the largest fund lost only 2.6 tonnes in the week the price fell 9%. If these holders sell too, the fall extends; if they hold, the selling stays in futures and is near its end.

SILVER INVENTORY

New York vaults hold 330.4 million ounces, down 2.4 million on the week, and the part offered for delivery fell 0.5 million to 101.2 million. Both moves are small, but they say physical silver is tightening while the futures price collapses, and that gap drives a sharp recovery once the paper selling stops.

ENERGY

WEEK OF 16 – 20 NOVEMBER 2026

CRUDE OIL · MCX DEC	NATURAL GAS · MCX NOV	WTI · DEC	HENRY HUB · DEC
₹7,695	₹306.60	$83.98	$3.411
▼ −7.09% per barrel	▼ −0.45% per mmBtu	▼ −5.17% /bbl, 20 Nov	▲ +5.60% /mmBtu, 20 Nov

CRUDE OIL

Supply is winning over war risk. Middle East exports are recovering through the Strait of Hormuz, where flows are still about half of pre-war levels, and the International Energy Agency expects supply of 105 million barrels a day to run 1.7 million above demand this quarter. OPEC+ has held its targets steady rather than cut into the surplus. US crude is backing up: Brent's premium over WTI has widened past $8 a barrel because exports to Asia and Europe no longer pay, which keeps US barrels at home and adds to the stock builds.

NATURAL GAS

The demand side has turned. Forecasts show colder than normal weather across the central and eastern US in the last week of November, demand including exports is expected to rise from 121.6 to 128.1 billion cubic feet a day next week, and gas flowing to export terminals is near a record 21. Storage added 20 against 27 expected, so the market is tighter than the models allowed. With storage near its seasonal peak, each colder forecast now draws on a surplus of only 80.

Exhibit 7: US crude oil stocks against the five-year range

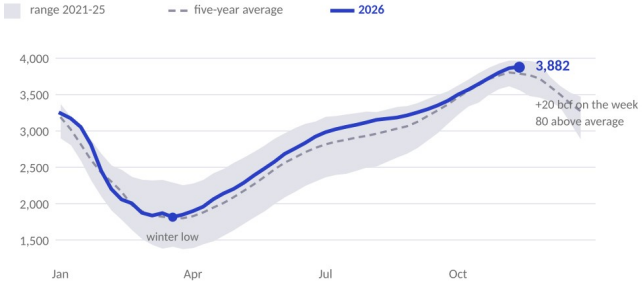
Million barrels of commercial crude, excluding the SPR, weekly to 13 November 2026



Source: US Energy Information Administration.

Exhibit 8: US gas in storage against the five-year range

Billion cubic feet of working gas, Lower 48 states, weekly to 13 November 2026



Source: US Energy Information Administration.

US CRUDE STOCKS

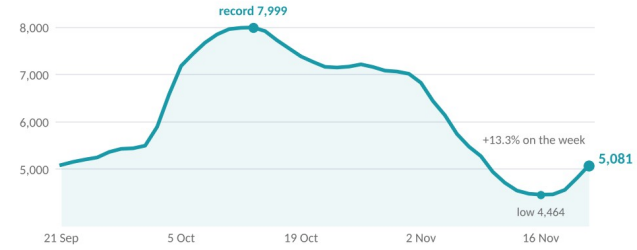
US crude stocks rose 3.4 million barrels to 417.8 million in the week to 13 November against about 1 million expected, a second build after five weeks of drawdown, and petrol rose 5.2 million. Stocks are still about 4% below the five-year average, but their direction has turned with the price. Two more builds of this size would remove the low-stock argument that has supported the barrel since the summer, and only a rise in refinery runs for winter stops them.

GAS IN STORAGE

Storage rose 20 billion cubic feet to 3,882 against 27 expected and a five-year average build of 15, so the surplus to the average widened from 75 to 80. A smaller build than forecast means demand or exports are running ahead of the models. Injection is almost over and withdrawals start within weeks; a surplus of 80 is roughly one cold week of draws, so a cold start to December would remove it and lift the price.

Exhibit 9: The war premium in crude freight

Baltic Dirty Tanker Index, daily close, 21 September to 20 November 2026

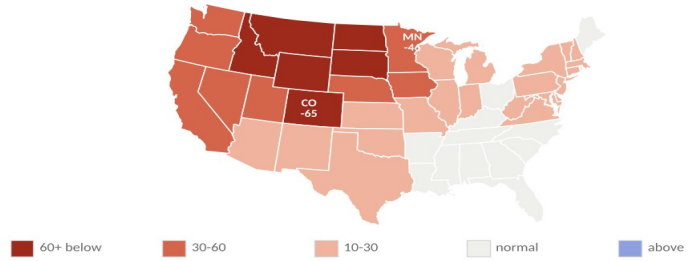


Source: Baltic Exchange.

Exhibit 10: The cold arrives, and the forecast takes it back

Heating degree days by state against normal, week ending 14 November 2026

Red is warmer than normal, so less gas burned. Nationally 95 against a normal 116, 18% below.



Source: NOAA Climate Prediction Center.

FREIGHT AND WAR RISK

Tanker rates rise when shipping is attacked, so this index shows how much war risk the market is paying for. It rose in four straight sessions to 5,081, up 13.3% on the week, as tankers were hit in the Strait of Hormuz, while crude itself fell. Freight turns before the barrel. If it keeps rising next week the war risk is coming back into the oil price; if it falls back, the surplus remains the only story.

WEATHER

This is how much heating the country bought, weighted by where people live. In the week to 14 November demand rose from 72 to 95 degree days and the shortfall to normal narrowed from 29 to 21. The forecast for the last week of November has turned colder across the central and eastern US, where most gas is burned for heat. Gas prices move on the forecast before the cold arrives, which is why the US contract rose this week.

BASE METALS

COPPER · MCX NOV	ALUMINIUM · MCX NOV	ZINC · MCX NOV
₹1,152.90	₹316.95	₹387.85
▼ −11.88% per kg · LME $12,231/t	▼ −3.24% per kg · LME $3,185/t	▼ −3.95% per kg · LME $3,670/t

COPPER

Copper is falling in London while it is scarce in China. The premium Chinese buyers pay for imported metal hit a record $500 a tonne on 19 November, and Shanghai exchange stocks fell 18% in a week to 27,642 tonnes, the lowest since December 2023. The selling comes from funds that had bet on demand from artificial intelligence. Record premiums pull metal from London to China, and when London stocks start to fall the price follows.

ALUMINIUM

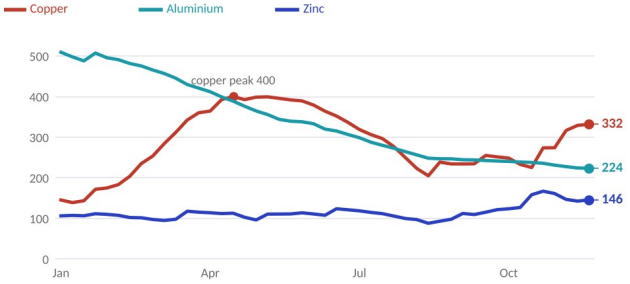
Aluminium is tight where copper is not. Metal for immediate delivery costs a record $353 a tonne more than metal in three months, and London stocks are the lowest this year. One holder controls 30% to 39% of the metal on the exchange's warrants, so anyone who needs aluminium now must buy from that holder or wait. That keeps the near price high even as the three-month price falls with the rest of the complex.

ZINC

Zinc's premium for metal now widened from $40 to $167.50 a tonne, so near-term supply is tighter, but London stocks rose 2.1%, which says new metal is arriving to meet it. Funds hold 29.6% of open contracts betting on a higher price against 19.7% on a lower one, the most crowded of the three. Crowded bets are the first to be sold when a sector turns, so zinc carries the most risk if copper's selling spreads.

Exhibit 11: LME warehouse stocks

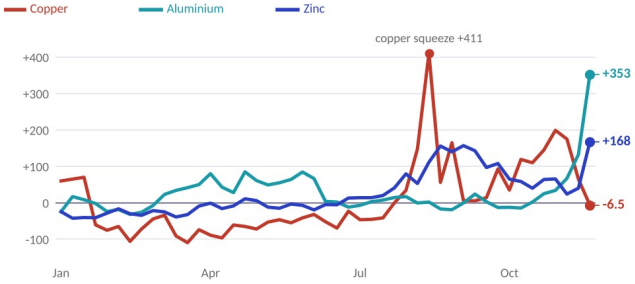
Thousand tonnes, weekly close to 20 November 2026



Source: LME via Westmetall.

Exhibit 12: Cash against three-month

Dollars a tonne, weekly close to 20 November 2026; above zero is a backwardation



Source: LME via Westmetall.

EXCHANGE STOCKS

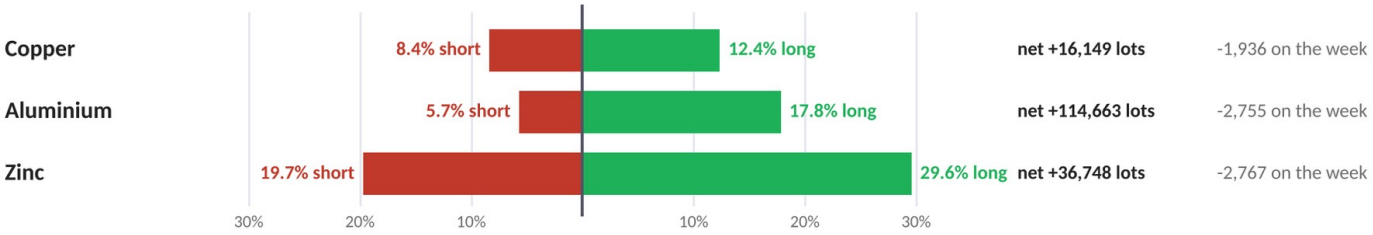
Copper stocks rose 0.9% to 332,025 tonnes, a third week of building, but the pace has slowed from 15.6% two weeks ago. With record premiums in China pulling metal there, the next move in London stocks is down, and falling stocks support a price. Aluminium slipped to 223,525, the least this year, while zinc rose 2.1% to 145,675. In copper the slowing build matters more than the level.

CASH AGAINST THREE-MONTH

This gap is the market's measure of shortage. When metal today costs more, as in aluminium at a record $353, holders are paid to release metal and short sellers are squeezed; when it costs less, as in copper at a $6.50 discount, there is no shortage and the market pays to store metal. Copper's move from a $175 premium two weeks ago ends the squeeze that held it up. Aluminium's widens while one holder controls a third of the deliverable metal.

Exhibit 13: How the funds are positioned

Investment funds' long and short holdings as a share of open interest, LME, position date 13 November 2026



Source: London Metal Exchange weekly Commitments of Traders.

HOW THE FUNDS ARE POSITIONED

Funds cut all three metals in the week to 13 November, before copper's worst days. Copper's net position fell 1,936 lots to 16,149 after a 6,325 cut the week before, so funds are leaving steadily. Aluminium fell 2,755 lots to 114,663 and zinc fell 2,767 to 36,748. Copper's long is now small, so most of its selling is done, while zinc's 29.6% long against 19.7% short is the position still left to unwind.

WEEK AHEAD — BIAS & KEY LEVELS

WEEK OF 16 – 20 NOVEMBER 2026

BULLION & ENERGY



Gold

Bias **Neutral**

- Fell 8.91% in dollars while US yields fell
- Funds cut 24,000 contracts to 166,100

Next week:

PCE inflation, Wednesday

Support	1,11,800
Resistance	1,41,000



Silver

Bias **Neutral**

- Fell 15.35% to $41.22; the ratio rose to 85.8
- Funds at 18,300, the lowest this year

Next week:

GDP revision, Wednesday

Support	1,30,000
Resistance	1,81,000



Crude Oil

Bias **Short covering**

- Third weekly fall; US stocks rose 3.4 Mb
- Freight rose 13.3%, its first gain since October

Next week:

EIA stocks, Wednesday

Support	7,025
Resistance	8,675



Natural Gas

Bias **Positive**

- US contract up 5.6% to $3.411, a June high
- Storage added 20 Bcf against 27 expected

Next week:

EIA storage, Wednesday

Support	271.00
Resistance	337.00

BASE METALS



Copper

Bias **Bearish**

- Biggest weekly fall on the LME in 19 months
- Spot premium gone; funds cut again

Next week:

LME commitments, Tuesday

Support	1,039.00
Resistance	1,358.00



Aluminium

Bias **Positive**

- Spot premium $353 a tonne, a record
- Stocks 223,525 t, the least this year

Next week:

LME stocks, daily

Support	293.00
Resistance	342.50



Zinc

Bias **Neutral**

- Spot premium widened to $167.50
- Stocks rose 2.1%; funds most crowded

Next week:

LME commitments, Tuesday

Support	370.00
Resistance	414.00



Lead

Bias **Neutral**

- Smallest fall of the nine, 0.88%
- Range 194.65 to 191.50

Next week:

LME stocks, daily

Support	189.50
Resistance	196.00



Nickel

Bias **Neutral**

- Fell 5.64% on the December contract
- Indonesian quota cuts limit the fall

Next week:

LME stocks, daily

Support	1,337.00
Resistance	1,605.00

WEEKLY SUPPORT & RESISTANCE — MCX

Derived from the week's own range: the highest and lowest price traded across the week's sessions, against the close of Friday 20 November. Gold and crude are quoted per 10 grams and per barrel; silver per kilogram; base metals per kilogram. Crude and nickel are the December contract at both ends; natural gas, copper, aluminium, zinc and lead are the November contract.

Commodity	Close	S3	S2	S1	Base	R1	R2	R3
Gold	1,21,778	1,02,200	1,11,800	1,16,800	**1,26,400**	1,31,400	1,41,000	1,46,000
Silver	1,47,813	1,13,500	1,30,000	1,39,000	**1,55,500**	1,64,500	1,81,000	1,90,000
Crude Oil	7,695	6,525	7,025	7,350	**7,850**	8,200	8,675	9,025
Natural Gas	306.60	256.00	271.00	289.00	**304.00**	322.00	337.00	354.00
Copper	1,152.90	937.00	1,039.00	1,096.00	**1,198.00**	1,255.00	1,358.00	1,415.00
Aluminium	316.95	280.00	293.00	305.00	**317.50**	330.00	342.50	354.50
Zinc	387.85	357.00	370.00	379.00	**392.00**	401.00	414.00	423.00
Lead	192.50	188.00	189.50	191.00	**193.00**	194.50	196.00	197.50
Nickel	1,437.60	1,253.00	1,337.00	1,387.00	**1,471.00**	1,521.00	1,605.00	1,655.00

Disclaimer:- Investments in securities market are subject to market risks, read all the related documents carefully before investing. For detailed disclaimers/disclosure and Mandatory terms and conditions please visit our website https://www.plindia.com/regulatory-content/.

Disclaimer:

This report is for information purposes only and should not be construed as investment or trading advice. Information is based on sources believed to be reliable; however, no warranty is made as to its accuracy or completeness. Commodity and financial markets are subject to risks, and past performance is not indicative of future results. Readers should exercise independent judgment before making any investment or trading decisions.

Investments in securities and commodity derivatives markets are subject to market risks. Read all related documents carefully before investing.

Prabhudas Lilladher Private Limited
Registered Office: 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai - 400 018
Tel: (91 22) 6632 2222 | www.plindia.com