

Date 23 March 2020

PRICE ACTION FOR THE WEEK 16 Mar – 20 Mar 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	75.41	73.95	75.20	1.08
Gold	41199	38400	40358	10
Silver	41099	33580	35843	-4644
Crude	2343	1583	1938	-458
Copper	422.00	337.55	375.00	-50.35
Nickel	910.10	800.10	855.00	-62.60
ZincM	153.25	125.80	142.50	-11.45
LeadM	140.85	117.30	131.95	-9.20
Alumini	138.20	128.20	134.55	-3.00
NG	138.30	118.50	122.50	-17.30

Key highlights for the Week ending 20th March 2020

- ❖ **Bullions** prices saw strong selling throughout the week owing to increased cases of COVID-19 spread throughout the world.
- ❖ **USD-INR** on another hand reached new highs of Rs.75.41 on real time basis.
- ❖ **Energy** commodities traded negative
 - **Crude Inventory which came as 2.0M Vs 7.7M**
 - **NG Inventory came at 9bcf Vs 48bcf**
- ❖ **Base Metals** traded strongly negative with highest momentum in copper.

Week ahead for Gold

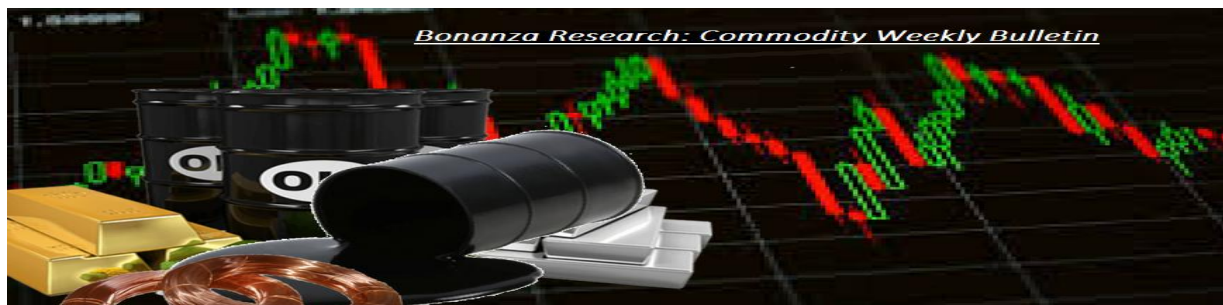
- ❖ **Gold** prices dropped about 2000+ points during the start of week which it later tried to reverse throughout the week.
- ❖ Rupee weakness escalated prices further in domestic as we saw buying in Gold.
- ❖ The Impact of Coronavirus raises concerns over a global recession and brings interest rates to zero or lower. Both factors should be bullish for gold.
- ❖ The Week ahead view of **Gold** prices seems to be **Positive**.
- ❖ **Support Level: 39200-38000**
- ❖ **Resistance Level: 41500-42800**
- ❖ **View: Strong till trading above 39000 on daily closing basis**

Week ahead for Silver

- ❖ **Silver** prices saw strong drop about 12% on Monday which it later consolidated throughout the week.
- ❖ Going ahead we expect silver prices to underperform gold in the year ahead as Gold-Silver ratio signals positive upward movements. Also, Gold ratio has gone up by 3 times against silver ratio.
- ❖ The week ahead view is **Sideways** with 43,500 acting as a major Support Level to investors.
- ❖ **Support Level: 33700-32300**
- ❖ **Resistance Level: 38000-39500**
- ❖ **View: Strong till above 33500**

Week ahead for Crude & Natural Gas

- ❖ **Crudeoil** witnessed strong selling of around 23% throughout the week.. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdowns lead by a closure of borders between nations as well as stoppage of airplanes within and outside country boundaries have lead to low fuel consumption of crudeoil.
- ❖ Going ahead in the week the oil can be seen weak as **strong supply** can outweigh **demand constraints**
- ❖ **Support Level: 1700-1550** **Resistance Level: 2170-2325** **View: Weak on rise**
- ❖ **Natural Gas** saw strong selling in its prices throughout the week of around 14%. Inventories number gave NG selling pressure. The view ahead is weak with 134 acting as a strong resistance zone.
- ❖ **Support Levels: 110-103** **Resistance Levels: 134-142** **View: Weak near resistance**



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Week ahead for Base Metals.

- ❖ **Base Metals** traded strongly negative throughout the week with highest momentum in Copper
- ❖ **Copper** traded strongly negative around 13% throughout the week due to jump in coronavirus cases in throughout the world. For the week, Copper could see selling as rise in coronavirus cases have lead to negative impact on metals.

<u>Support Level: 340-320</u>	<u>Resistance Level: 410-430</u>	<u>View: Shorts Exp/ Weak on rise</u>
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- ❖ **Nickel** prices traded negative around 7% from previous close. Going ahead in the week, 900 would act as a major support zone for buying. Any break above 970 on would lead to a strong uptrend till 1100 level.

<u>Support Level: 804-770</u>	<u>Resistance Level: 906-940</u>	<u>View: Weak near resistance</u>
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- ❖ **Zinc** prices traded negative around 7% throughout the week. Going ahead in the week, 157 would act as strong resistance zones.

<u>Support Level: 134-128</u>	<u>Resistance Level: 151-157</u>	<u>View: Weak near resistance</u>
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- ❖ **Lead** prices traded negative throughout the week of around 7%. Going ahead in the week, 148 would act as a strong resistance zone.

<u>Support Level: 124-119</u>	<u>Resistance Level: 140-145</u>	<u>View: Weak near resistance</u>
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- ❖ **Aluminum** prices consolidated during the week. Going ahead in the week, 134 would act as near term support.

<u>Support Level: 122-126.50</u>	<u>Resistance Level: 142.50-148</u>	<u>View: Sideways</u>
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COMMODITY WEEKLY BULLETIN

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