

WEEKLY COMMODITY BULLETIN (RESEARCH)

PRICE ACTION FOR THE WEEK 24 Jun – 28 Jun 2019

Key highlights for the Week ending 28 Jun 2019

Script	W.High	W.Low	W.Close	W.Change
USDINR	69.86	69.13	69.30	-0.31
Gold	34893	34030	34206	39
Silver	38323	37405	37452	-502
Crude	4163	3947	4095	78
CopperM	-	-	446.45	0
LeadM	156.45	152.50	155.85	1.85
ZincM	205.65	198.80	200.70	1.70
Nickel	914.90	877.20	906.00	23.10
NG	164.10	153.10	160.50	7.80

- ❖ Gold traded flat after Strongly bullish trend last week as Comex Gold rallied till 1400+ along with dollar index depreciated strongly which helped bullions record to 5yr high in comex as trade tension of US China & Geopolitical tensions between US & Iran weigh in.
- ❖ Crude witnessed strength on back of Iran & US war tensions as Iran destroying US drones. Crude Inventory came -12.788m Vs -3.106m.
- ❖ Base metals were flat to positive; the trade talks between US & China, USDINR volatility will keep the BMS volatile.
- ❖ Natural G traded weak on back of better inventory. NG Inventory came at 98bcf Vs 115bcf.

View for the Week ahead (01Jul19 – 05Jul19).

- ❖ Gold & Silver ended on flat to positive note weekly, with buying seen in Gold on hedge position windup as global tensions escalation & hopes of rate cut in Fed policy in further meetings. Dollar index traded flat which kept move positive in Gold & Silver saw some profit booking due to base metals weakness, and the rupee volatility has kept bulls interested in bullions. In the week ahead the view is sideways to positive for Gold as rupee can strengthen. Any positive statement on global trades can lead to profit booking hence its advised to book regular profit in bullions on rises but to not go short on heavy gap downs.
- ❖ Crude ended positive, Crude traded bullish on back of Iran bombing down US drone and war like situation escalation between Iran & US. Looking ahead in week Crude can trade with positive bias. US seems to have negative views on trade talk with China as they feel there is too much delay on trade talk front from China. With new developments of delay from US on tariff over Mexico has triggered some short covering in Crude. It's better to keep watch at OPEC & Non-OPEC statements due on 1st & 2nd July19 in terms of productivity & US Vs China in terms of Trade talks in G20 and conversations. & US views on Mexico tariffs Production cuts shall keep a little balance going ahead in case of trade talks not going towards solution side. Volatility is expected at highest level in month of July as well as it was witnessed in May & June.
- ❖ Natural Gas traded positive. The commodity is looking range bound now after huge fall last week; inventory numbers were slightly weak which lead to strength in prices.
- ❖ Base metals traded positive in the week gone; going ahead in the week BMS can be sideways to positive. As short positions unwinding can be witnessed in overall pack as there are no fresh negative indications in the talks between the two giants US & China. Indicators are still showing some upside rally for Copper & Nickel. It's advised to trade with stop losses as some profit booking behind rupee strengthen can be expected in BMS.

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Levels for Week ahead 01Jul19 – 05Jul19.

COMMODITY	Exp Trend	S1	S2	R1	R2
AGRI					
<i>NCDEX Castor</i>	Sideways	5480	5400	5575	5655
<i>NCDEX Guargum5</i>	↑	8290	8200	8450	8620
NON-AGRI					
BULLION					
<i>MCX GoldM</i>	↑	33550	33325	33740	33970
<i>MCX SilverM</i>	↑	37750	37350	38000	38440
Energy					
<i>MCX CrudeM</i>	↑	4105	4040	4170	4230
<i>MCX NG</i>	↑	158.50	154.40	162.60	166.40
Metals					
<i>MCX Copper</i>	↑	447.50	444	451.50	454.60
<i>MCX LeadM</i>	Sideways	155	153.20	157	158.85
<i>MCX ZincM</i>	↑	200.80	198.75	203	205.45
<i>MCX Alumini</i>	Sideways	143.20	142.05	144.30	145.50
<i>MCX Nickel</i>	Sideways	895	879	907	918.50

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