

Date 02 March 2020

PRICE ACTION FOR THE WEEK 24 Feb – 28 Feb 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	72.50	71.75	72.40	0.74
Gold	43788	41275	41397	-1269
Silver	49516	43556	43979	-4325
Crude	3827	3206	3263	-596
Copper	433.30	415.30	421.85	-8.40
Nickel	932.00	889.10	901.00	-31.30
ZincM	163.50	150.20	154.85	-7.75
LeadM	145.00	139.50	143.75	0.30
Alumini	138.00	133.90	136.70	-1.25
NG	136.00	119.60	124.30	-13.10

Key highlights for the Week ending 28th Feb 2020

- ❖ **Bullions** prices saw strong selling throughout the week after we saw buying on Monday. Gold prices dropped to about 3% whereas Silver prices dropped about 9%.
- ❖ **Energy** commodities also saw strong selling. Crude Oil prices dropped about 18% whereas Natural Gas prices dropped about 10% for the week.
 - **Crude Inventory which came as 0.5M Vs 0.4M.**
 - **NG Inventory came at 143bcf Vs 151bcf.**
- ❖ **Base Metals** traded negative as China's base metals dominate with Zinc Commodity dropping highest at around 5% reaching 3.7 years Low.

Week ahead for Gold

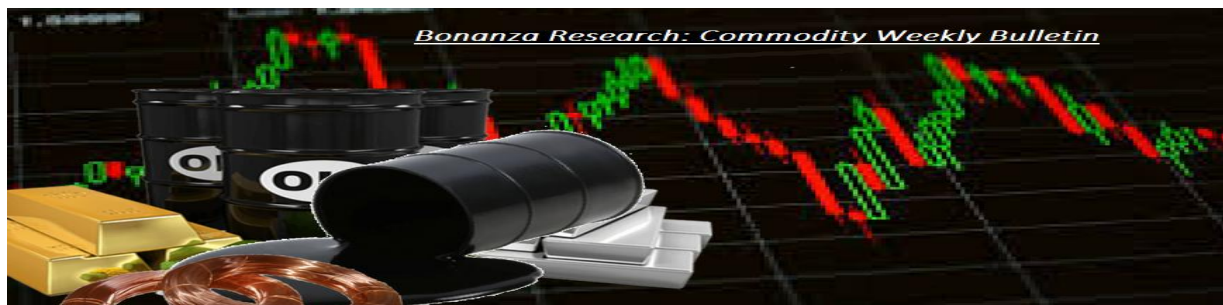
- ❖ **Gold** reached a new high of Rs.43788 in Indian Markets against a 7year high of \$1691.70 in the COMEX market on Monday.
- ❖ After Statement on Tuesday Morning by FOMC Member Mester regarding no change in rate cuts as it seems unnecessary to offset virus risks, Gold prices have seen a drop around 5% from weekly high prices on a weekly close.
- ❖ The Week ahead view of **Gold** prices seems to be **Sideways to Positive.**
- ❖ **Support Level: 40800-40000**
- ❖ **Resistance Level: 42500-43200**
- ❖ **View: Buy on Dip**

Week ahead for Silver

- ❖ **Silver** prices saw about strong selling of around 9% after FOMC Member Mester statement on Tuesday regarding no rate cuts.
- ❖ Going ahead we expect silver prices to underperform gold in the year ahead as Gold-Silver ratio signals positive upward movements.
- ❖ The week ahead view is **Sideways** with 43,500 acting as a major Support Level to investors.
- ❖ **Support Level: 43500-42700**
- ❖ **Resistance Level: 46200-47000**
- ❖ **View: Buy on dip (Strictly trade with a strong stop loss near 43500 on a closing basis)**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed strong selling of around 18% during the week. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdown lead by a jump in the number of cases in around 29 countries affected by a coronavirus, OPEC decision regarding oil cuts which is going to be held on 5th & 6th March in Vienna.
- ❖ Going ahead in the week the oil can be seen weak as **strong supply** can outweigh **demand constraints**
- ❖ Crude oil prices will show a bounce back before dropping further below.
- ❖ **Support Level: 3150-3075** **Resistance Level: 3450-3525** **View: Sell on Rise**
- ❖ **Natural Gas** saw strong selling off around 10% during the week. Inventories number further gave NG selling pressure. The view ahead is weak with 135 acting as a strong resistance zone.
- ❖ **Support Levels:120-116** **Resistance Levels: 131-135** **View: Sell on Rise**



Date 02 March 2020

Week ahead for Base Metals.

- ❖ **Copper** traded negative throughout the week due to jump in coronavirus cases in china. For the week, Copper could see buying in it with 416 acting as a support level.
- ❖ **Support Level:416-410** **Resistance Level: 430-435** **View: Buy on Dip**
- ❖ **Nickel** prices traded negative trying to breach its support level of 890-910. Going ahead in the week, 880 would act as a major support zone for buying. Any break above 950 would lead to a strong uptrend till 1100 level.
- ❖ **Support Level:880-860** **Resistance Level:930-950** **View: Buy on Dip**
- ❖ **Zinc** prices saw selling around 5% reaching low of around 3.7 years. Going ahead in the week, 164 would act as strong resistance zones.
- ❖ **Support Level: 151-146** **Resistance Level:160-164** **View: Sideways**
- ❖ **Lead** prices saw bounce back after strong selling during the week. Going ahead in the week, 148 would act as a strong resistance zone.
- ❖ **Support Level:141-138** **Resistance Level:148-151** **View: Sideways**
- ❖ **Aluminum** prices saw bounce back after strong selling during the week. Going ahead in the week, 134 would act as near term support.
- ❖ **Support Level:134-131** **Resistance Level:140-143** **View: Sideways**

RESEARCH BONANZA

COMMODITY WEEKLY BULLETIN

Outlook By: Research Analyst Miss Priyanka Shrimankar



Date 02 March 2020

Disclosure:

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No.INM000012306

Disclaimer:

This research report has been published by Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of Bonanza portfolio Ltd shall be liable. Research report may differ between Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the subject company or third party in connection with the research report

Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063

Web site: <https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186

2018 © [Bonanza Portfolio Ltd.](https://www.bonanzaonline.com)