

Date 09 March 2020

PRICE ACTION FOR THE WEEK 02 Mar – 06 Mar 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	74.28	72.25	73.94	1.53
Gold	44961	41646	44158	2761
Silver	47870	44765	46969	2990
Crude	3577	3139	3159	-104
Copper	434.00	422.00	433.50	11.70
Nickel	966.50	913.50	965.00	64.00
ZincM	158.30	153.05	156.30	1.45
LeadM	145.95	143.00	144.95	1.20
Alumini	139.80	136.20	138.10	1.40
NG	136.60	124.70	129.40	5.10

Key highlights for the Week ending 06th March 2020

- ❖ **Bullions** prices saw strong buying throughout the week. Gold prices reached new high of Rs. 44961 as against \$1692.80 in COMEX.
- ❖ **USD-INR** reached Rs. 74.07 reaching till its 16 month high.
- ❖ **Energy** commodities traded volatile.
 - **Crude Inventory which came as 0.8M Vs 0.5M**
 - **NG Inventory came at 109bcf Vs 143bcf**
- ❖ **Base Metals** traded positive to sideways with highest momentum in copper and nickel commodities.

Week ahead for Gold

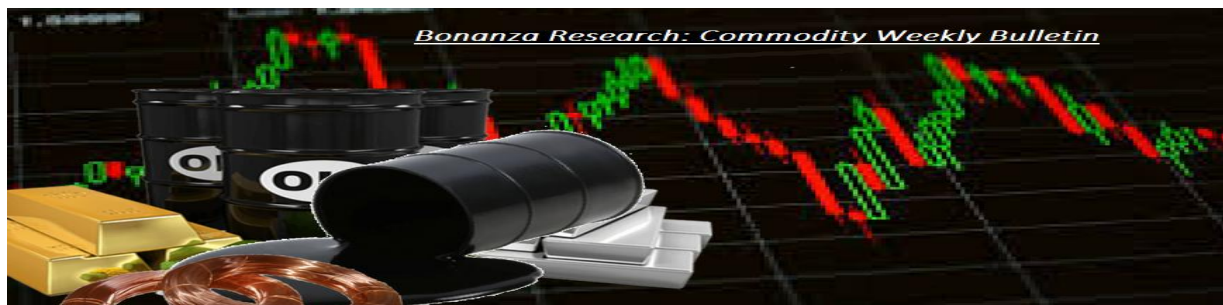
- ❖ **Gold** reached a new high of Rs.44961 in Indian Markets against a 7 year high of \$1692.80 in the COMEX market on Monday.
- ❖ Rupee weakness escalated prices further in domestic as we see Gold breaching 44500+ on Friday.
- ❖ The Impact of Coronavirus raises concerns over a global recession and 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: 42800-41900**
- ❖ **Resistance Level: 45400-46400**
- ❖ **View: Strong till trading above 43000 on daily closing basis**

Week ahead for Silver

- ❖ **Silver** prices saw buying of around 6% 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: 45300-44000**
- ❖ **Resistance Level: 48300-49600**
- ❖ **View: Strong till above 45500**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed some profit booking of around 3% during the week. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdowns lead by a failure of OPEC+ and Saudi Indignation. Also, Global spread of coronavirus further added to the downfall of crude oil prices.
- ❖ Going ahead in the week the oil can be seen weak as **strong supply** can outweigh **demand constraints**
- ❖ After opening on Monday, crude oil prices have dropped to 30% low of Rs. 2151 with Brent prices at \$ 31.27 in COMEX owing to OPEC+ Failure of Oil cuts around 1.5million bpd which was largely underpinned by Saudi-Russian diplomacy.
- ❖ **Support Level: 2850-2550** **Resistance Level: 3320-3500** **View: Weak on rise**
- ❖ **Natural Gas** saw consolidation in its prices throughout the week. Inventories number gave NG selling pressure. The view ahead is weak with 135 acting as a strong resistance zone.
- ❖ **Support Levels:121-116** **Resistance Levels: 133-137** **View: Weak near resistance**



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Week ahead for Base Metals.

- ❖ **Base Metals** traded sideways to Positive throughout the week with highest momentum in Copper and Nickel commodities.
- ❖ **Copper** traded Positive throughout the week due to jump in coronavirus cases in china. For the week, Copper could see selling as rise in coronavirus cases have lead to negative impact on metals.
- ❖ **Support Level:418-410** **Resistance Level: 442-450** **View: Shorts Exp/ Weak on rise**
- ❖ **Nickel** prices traded strongly positive with 7% rise in price 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.
- ❖ **Support Level:930-905** **Resistance Level:975-985** **View: Sideways**
- ❖ **Zinc** prices consolidated throughout the week. Going ahead in the week, 164 would act as strong resistance zones.
- ❖ **Support Level: 150-146** **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:140-136** **Resistance Level:148-152** **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**

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COMMODITY WEEKLY BULLETIN

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