

Date 10 February 2020

PRICE ACTION FOR THE WEEK 03 Feb – 07 Feb 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	71.85	71.23	71.52	-0.03
Gold	41140	39900	40644	-604
Silver	46690	45356	46106	-1012
Crude	3724	3551	3617	-60
Copper	439.45	420.60	430.90	4.55
Nickel	967.80	934.30	940.70	-3.40
ZincM	176.00	169.55	169.85	-4.15
LeadM	148.10	144.50	144.65	-3.20
Alumini	139.20	134.60	137.85	-1.00
NG	136.30	129.40	134.20	0.30

Key highlights for the Week ending 07th Feb 2020

- ❖ **Bullions** prices rise after a strong fall on Wednesday after Donald Trump Statement in the morning regarding the shift in tariff fights to \$6 Trillion currency markets.
- ❖ **Energy** commodities on another hand traded negative in a range bound trend. On another hand, Inventories bought about some buying in energy commodities trying to break previous resistance levels.
 - **Crude Inventory which came as 3.4M Vs 3.5M.**
 - **NG Inventory came at 137bcf Vs 201bcf.**
- ❖ **Base Metals** saw buying in it as China's Central bank has been injecting billions in its economy.

Week ahead for Gold

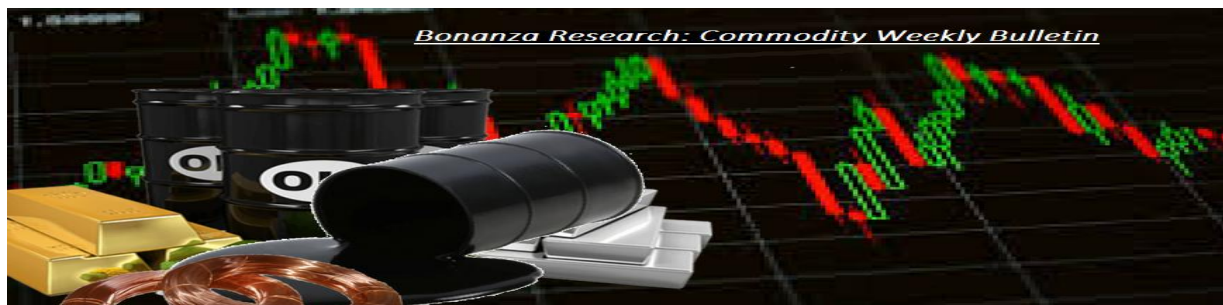
- ❖ **Gold** witnessed buying after **US President Donald Trump Statement** on Wednesday morning said that it has finalized a controversial rule that would allow the US to hit alleged currency manipulators with tariffs, opening a potential new front in ongoing economic disputes. Under the new regulation, anti-subsidy tariffs can be levied against foreign competitors accused of undervaluing their currencies against the dollar. The said news would take effect from 6th April.
- ❖ The Week ahead view of **Gold** is **Sideways to Positive**
- ❖ **Support Level: 40250-39900**
- ❖ **Resistance Level: 41000-41300**
- ❖ **View: Buy on every dip till 39900 levels.**

Week ahead for Silver

- ❖ **Silver** also saw buying after US President Donald Trump statement.
- ❖ 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 45,000 acting as a major Support zone to investors.
- ❖ **Support Level: 45000-45500**
- ❖ **Resistance Level: 46700-47300**
- ❖ **View: Sideways (Strictly trade with a strong stop loss near 45500 on a closing basis)**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed a range bound trade with 3700 acting as a strong resistance level and 3600 acting as a strong support level. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdown lead by Wuhan Coronavirus rise in the number of cases in China and the US played a major factor in dampening of demand. Inventories gave a push for prices to rise but crude could not sustain much and dropped near 3600 levels.
- ❖ Going ahead on the week the oil can be weak as **strong Supply** can outweigh **demand constraints**
- ❖ **Support Level: 3400-3520** **Resistance Level: 3700-3800** **View: Sell if prices fall below 3520.**
- ❖ **Natural Gas** traded sideways to negative. Inventories number gave NG a push for buying but still coronavirus issue in china has brought prices down. NG after its opening on Monday saw a drop of around 4%. The view ahead is Weak with 136 acting as a strong resistance zone.
- ❖ **Support Levels: 124-127** **Resistance Levels: 135-138** **View: Sideways**



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Week ahead for Base Metals.

- ❖ **Copper** has seen buying after China's Central Bank has injected \$174 Billion last Monday. Copper saw fall on Thursday after news of 50% tariff rates cuts were announced. For the week, Copper could see buying in it with 420 acting as a support level.
- ❖ **Support Level: 420-424** **Resistance Level: 437-441** **View: Buy on Dips**
- ❖ **Nickel** prices have shown consolidation Trend. Going ahead in the week, a range bound trade is seen during the week with 970 levels acting as a major resistance. Also, Prices could remain in consolidation.
- ❖ **Support Level: 900-925** **Resistance Level:965-985** **View: Sideways**
- ❖ **Zinc** prices saw selling around 2%. Going ahead in the week, 176 would act as strong resistance zones.
- ❖ **Support Level: 163-167** **Resistance Level:174-178** **View: Sideways**
- ❖ **Lead** prices have reached near its 1 year low. Going ahead in the week, 148 would act as strong resistance.
- ❖ **Support Level:138-141** **Resistance Level:148-152** **View: Sell on rise**
- ❖ **Aluminum** prices have shown selling in it. Going ahead in the week, 141 would act as a near term resistance for selling.
- ❖ **Support Level:134-136** **Resistance Level:141-143** **View: Sideways**

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COMMODITY WEEKLY BULLETIN

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