

Date 13 January 2020

PRICE ACTION FOR THE WEEK 13 Jan – 17 Jan 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	72.44	70.96	71.03	-0.93
Gold	41293	39568	39871	-241
Silver	48925	46310	46911	-616
Crude	4670	4172	4202	-297
Copper	453.45	441.20	447.40	5.6
Nickel	1048.60	1018.60	1042.60	22.7
ZincM	184.80	180.10	181	0.80
LeadM	153	150.80	151.15	-1.05
Alumini	142.30	137.95	141.90	2.00
NG	158.90	150.60	158.30	4.8

Key highlights for the Week ending 10th Jan 2020

- ❖ Gold saw profit booking after reaching new highs in Indian markets as U.S. – Iran war persisted. Dollar Index on another hand saw strong Buying.
- ❖ **Dollar-Rupee traded weak** as prices bounced till 71.00 levels. Global tensions lead to strength in rupee.
- ❖ Crude witnessed profit booking by around **12%** owing to tensions in Iran and US.
Crude Inventory came 1.2M Vs -11.5M
- ❖ Base Metals traded on a positive note.
- ❖ Natural Gas traded positive as inventory came weak to prior week.
NG Inventory came at 44bcf Vs 58bcf

Week ahead for Gold

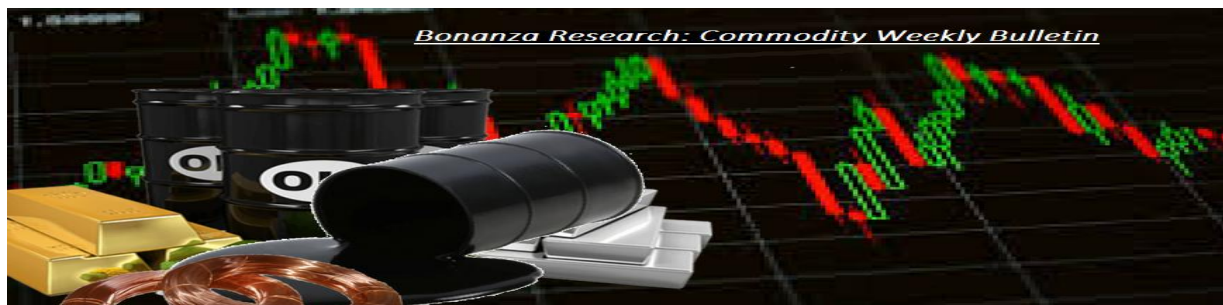
- ❖ Gold witnessed profit booking after reaching new highs of 41,293 owing to tensions in US-Iran. Dollar Index on another hand saw strong buying in it.
- ❖ As Iran-US War escalated, rupee saw appreciation in price owing to which gold price fell near to its support zones of 39,500
- ❖ In the week ahead the view is **positive to sideways** Gold could see buying as US-China is set to sign their Phase1 deal near 15th January.
- ❖ **Support Level: 39350-39050**
- ❖ **Resistance Level: 40800-41300**
- ❖ **View: Strong till trading above 39000 on closing basis**

Week ahead for Silver

- ❖ Silver showed strong profit booking owing to tensions due to US-Iran War.
- ❖ Going ahead we expect prices of Silver to underperform to gold as Gold Silver ratio has shown signs of Sideways movement.
- ❖ In the week ahead view is **positive to sideways** as 46,000 would act as a major support zone for buying to investors. US-China Trade Deal would also have a positive impact on Silver.
- ❖ **Support Level: 46400-46000**
- ❖ **Resistance Level: 47300-47800**
- ❖ **View : Strong till trading above 46000 on closing Basis**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed volatile range between 4200-4670. **Global slowdown a factor which can dampen demand.**
- ❖ Global slowdown lead by Iran-US war is a major factor for dampening of demand, where as inventories are giving mixed signals keeping interesting situations, weekly inventories coming weak which is giving some support. Going ahead on the week the Oil can be weak as **sluggish demand** can outweigh **supply constraints** even if OPEC Keeps productions cut going.
- ❖ **Support Level: 4125-4000** **Resistance Level: 4250-4325** **View: Buy on Dips**
- ❖ **Natural Gas** traded positive as Inventories number kept prices above a support level of 150. View ahead for the week looks positive with a strong support near 150 levels
- ❖ **Support Levels: 154-150** **Resistance Levels: 159-165** **View: Buy on Dips**



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Week ahead for Base Metals.

- ❖ **Copper** has shown some strength last week due to weak inventories. The commodity looks on the verge of breakout.
- ❖ Trade Deal between US-China Phase 1 which is set to be signed this week could bring about strong upward movement in metals as a whole.
- ❖ **Support Level: 445-442** **Resistance Level: 452-455** **View: Buy on Dip**
- ❖ **Nickel** prices have shown consolidation in the prices with 1050 acting as near term resistance and 1020 acting as a strong support on daily closing basis. Going ahead in the week, a break above 1055 traders could look forward to 1100 levels.
- ❖ **Support Level: 1025-1040** **Resistance Level:1055-1075** **View: Buy on Dip**
- ❖ **Zinc** prices saw profit booking after rise from previous week levels. Going ahead in the week, 177 would act as a strong support zones.
- ❖ **Support Level: 180-178** **Resistance Level:182.50-185** **View: Buy on Dip**
- ❖ **Lead** prices have been consolidating in the range of 150-155 for about 7-8 weeks. Going ahead in the week, 153 would act as strong resistance.
- ❖ **Support Level:150-148** **Resistance Level:152.50-154.50** **View: Sideways**
- ❖ **Aluminium** prices have being showing strong buying in it. Going ahead in the week, 140 would act as a near term support for buying.
- ❖ **Support Level:140.50-138.50** **Resistance Level:144-146** **View: Buy on Dip**

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COMMODITY WEEKLY BULLETIN

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