

Date 24 February 2020

PRICE ACTION FOR THE WEEK 17 Feb – 21 Feb 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	71.84	71.31	71.66	0.23
Gold	42790	4020	42666	1687
Silver	48589	46021	48304	2077
Crude	3949	3634	3859	152
Copper	440.00	432.70	434.75	2.10
Nickel	957.80	927.00	930.50	-20.90
ZincM	170.80	164.65	164.85	-4.60
LeadM	147.70	144.80	145.10	-2.05
Alumini	138.85	136.80	137.90	-0.65
NG	146.50	135.10	138.90	4.50

Key highlights for the Week ending 21st Feb 2020

- ❖ **Bullions** prices saw strong buying reaching about 4% high from their previous week close. Additional rate cuts and negative US yield also added to buying in bullion.
- ❖ **Energy** commodities also saw buying. On another hand, NG Inventories data saw knee-jerk reaction.
 - **Crude Inventory** which came as **0.4M Vs 7.5M.**
 - **NG Inventory** came at **151B Vs 115 bcf**
- ❖ **Base Metals** traded negative as China' base metals dominates

Week ahead for Gold

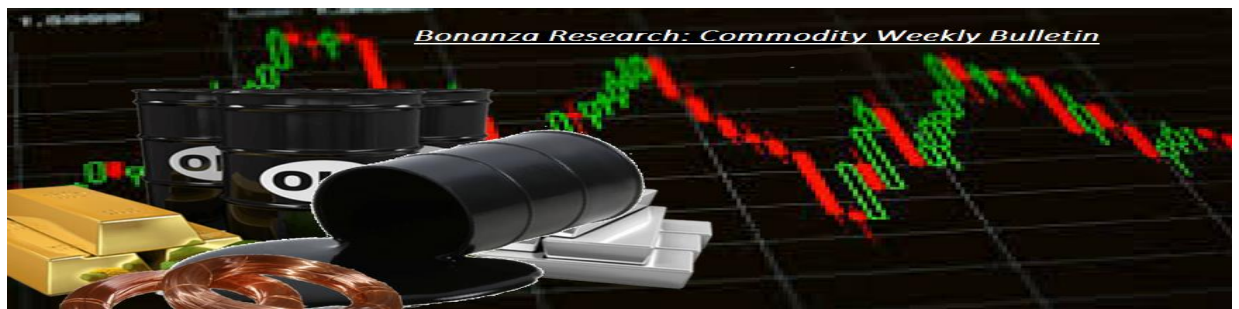
- ❖ **Gold** reached new high of Rs.42790 in Indian Markets against 7year high of \$1651.85 in COMEX market.
- ❖ Additionally rates cuts, increased stimulus and negative US yield which reached a 7year low at -0.15% all lead to increased gold prices.
- ❖ Gold prices saw a rise of 4% from previous week close.
- ❖ The Week ahead view of **Gold** prices seems to be **Positive**.
- ❖ **Support Level: 42000-42350**
- ❖ **Resistance Level: 43000-43300**
- ❖ **View: Buy on Dip**

Week ahead for Silver

- ❖ **Silver** saw buying in it about 4% from previous week close.
- ❖ 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 **positive** with 47,000 acting as a major Support zone to investors.
- ❖ **Support Level: 47000-47700**
- ❖ **Resistance Level: 49000-49700**
- ❖ **View: Buy on dip (Strictly trade with a strong stop loss near 47700 on a closing basis)**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed strong buying during the week. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdown lead by oil rig count data, fed rate cuts which might take place in June instead of March this year as it would affect the labor market which might weaken in tandem with economic slowdown and financial conditions might otherwise tighten when liquidity measures are tapered. Also crude oil prices saw a rise of around 4% from previous week close.
- ❖ Going ahead in the week the oil can be seen strong as **strong demand** can outweigh supply **constraints**
- ❖ **Support Level: 3700-3770** **Resistance Level: 3940-4000** **View: Buy on Dip.**
- ❖ **Natural Gas** saw strong buying in it. Inventories number gave NG a Knee-jerk reaction but still, prices pulled up by weekend. NG saw a rise of around 3% from its previous week close. The view ahead is Strong with 135 acting as a strong support zone.
- ❖ **Support Levels: 132-135** **Resistance Levels: 142-146** **View: Buy on Dip**



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Week ahead for Base Metals.

- ❖ **Copper** traded negative throughout the week after positive opening on Monday. For the week, Copper could see some selling in it with 444 acting as a resistance level.
- ❖ **Support Level:426-430** **Resistance Level: 440-444** **View: Sideways**
- ❖ **Nickel** prices traded negative trying to breach its support level.. Going ahead in the week, any price drop below 910 could see new low level till 890
- ❖ **Support Level:890-910** **Resistance Level:950-965** **View: Sell on rise**
- ❖ **Zinc** prices saw selling around 3% from previous week close. Going ahead in the week, 168 would act as strong resistance zones.
- ❖ **Support Level: 159-162** **Resistance Level:168-171** **View: Sell on rise**
- ❖ **Lead** prices saw selling in it of around 1%. Going ahead in the week, 148 would act as strong resistance zone.
- ❖ **Support Level:141-143** **Resistance Level:147-149** **View: Sell on rise**
- ❖ **Aluminum** prices have shown consolidation in it. Going ahead in the week, 134 would act as a near term support.
- ❖ **Support Level:136-134** **Resistance Level:140-142** **View: Sideways**

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COMMODITY WEEKLY BULLETIN

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