

Date 27 January 2020

PRICE ACTION FOR THE WEEK 27 Jan – 31 Jan 2020

Script	W.High	W.Low	W.Close	W.Change
USDINR	71.38	71.08	71.34	0.19
Gold	40440	39675	40352	406
Silver	47025	45734	46935	179
Crude	4222	3850	3873	-286
Copper	456.55	437.40	438.65	-15.95
Nickel	1046.20	969.90	976.20	-47.80
ZincM	184.60	178.50	179	-4.95
LeadM	152.90	148.60	149.45	-2.3
Alumini	142.50	139.10	139.70	-0.85
NG	141.90	133.40	134	-8.2

Key highlights for the Week ending 24th Jan 2020

- ❖ **Bullions** prices rise on account of Wuhan Coronavirus in US and rocket strike on the US Embassy in Baghdad
- ❖ **Energy** commodities on another hand saw a sharp drop of around 5% - 6% due to Coronavirus in China.
 - **Crude Inventory which came as -0.4M Vs -2.5M also added to drop in crude prices.**
 - **NG Inventory came at 92bcf Vs 109bcf bringing about some support to strengthen its Prices.**
- ❖ **Base Metals** saw the strongest fall in the range of around **2% - 5%** as China is the main importer of metals for India.

Week ahead for Gold

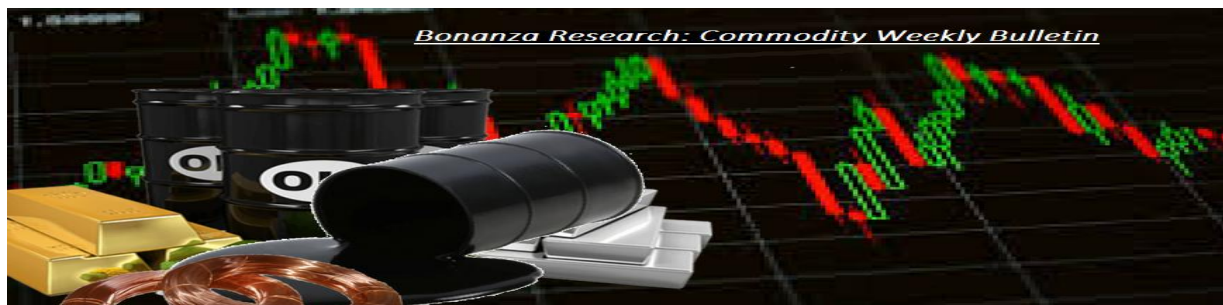
- ❖ **Gold** witnessed buying after Coronavirus in china news broke out.
- ❖ Gold has started its week with Gap-up Opening owing to further negative news regarding the Coronavirus.
- ❖ In the week ahead, the view is **positive to sideways** Gold could see buying in the near week.
- ❖ **Support Level: 40000-40400**
- ❖ **Resistance Level: 40750-41100**
- ❖ **View: Strong till trading above 40050 on a closing basis.**
- ❖ **Ensure Buying with strict stop loss as any positive or negative news related to china could bring about drastic movements in Gold**

Week ahead for Silver

- ❖ Coronavirus outbreak in china had brought about a positive impact on **Silver**.
- ❖ Going ahead we expect silver prices to outperform gold in the year ahead as Gold-Silver ratio signals positive upward movements.
- ❖ In the week ahead view is **positive to sideways** as 46,000 would act as a major support zone for buying to investors.
- ❖ **Support Level: 46500-46800**
- ❖ **Resistance Level: 47600-47900**
- ❖ **View: Strong till trading above 46500 on closing Basis**

Week ahead for Crude & Natural Gas

- ❖ **Crude** witnessed a sharp drop in prices reaching levels of 3900. **Global slowdown a factor that can dampen demand.**
- ❖ Global slowdown lead by Wuhan Coronavirus in China played a major factor for dampening of demand, inventories also gave a push leading to prices dropping lower.
- ❖ Crude has witnessed a strong gap-down on opening.
- ❖ Going ahead on the week the oil can be weak as **strong Supply** can outweigh **demand constraints**
- ❖ **Support Level:3700-3800** **Resistance Level:4000-4100** **View: Sell on Rise**
- ❖ **Natural Gas** traded strongly negative around 5% drop nearing to its 4 years low. Inventories number gave NG a push for buying but still issue in china has brought prices down. View ahead for the week looks sideways with strong support near 130 Levels.
- ❖ **Support Levels: 134-130** **Resistance Levels: 144-148** **View: Sideways**



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Week ahead for Base Metals.

- ❖ **Copper** has seen strong selling owing to the Wuhan Coronavirus outbreak in china. Copper has seen a breakdown of about 2% during the week. For the week, Copper could be seen in a sideways movement till it breaches levels of 415
- ❖ **Support Level: 427-424** **Resistance Level: 435-439** **View: Sell on Rise**
- ❖ **Nickel** prices have shown a strong breakdown of around 5%. Going ahead in the week, a gap down opening is seen. Also, Prices could remain in consolidation to negative.
- ❖ **Support Level: 900-920** **Resistance Level:960-980** **View: Sell on Rise**
- ❖ **Zinc** prices saw strong selling around 3%. Going ahead in the week, 184 would act as strong resistance zones.
- ❖ **Support Level: 180-183** **Resistance Level:175-172** **View: Sell on Rise**
- ❖ **Lead** prices have shown breakdown from consolidation levels of 150-155. Going ahead in the week, 153 would act as strong resistance.
- ❖ **Support Level:147-144** **Resistance Level:152-155** **View: Sideways**
- ❖ **Aluminum** prices have shown selling in it. Going ahead in the week, 142 would act as a near term resistance for selling.
- ❖ **Support Level:138-136** **Resistance Level:142-144** **View: Sideways**

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COMMODITY WEEKLY BULLETIN

Outlook By: Miss Priyanka Shrimankar



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

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

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| CDSL: a) 120 33500 |

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