

Commodity Overview

03-10-2024



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GOLD1!+SILVER1!, 1D, MCX O165,918 H168,289 L165,857 C167,041 +1,476 (+0.89%) Vol20.643K



Gold & Silver overview:

Gold prices fell slightly in Comex due to private sector employment increased by 143,000 jobs in September and annual pay was up 4.7 percent year-over-year, according to the September ADP report. Private sector hiring picked up in September, indicating the labor market is holding its ground despite some signs of weakness, payrolls processing firm ADP reported Wednesday. Companies added 143,000 jobs for the month, an acceleration from the upwardly revised 103,000 in August and better than the forecast. While hiring increased, the rate of pay growth took another step down.

Silver prices remained up as Industrial metals remained steady due to China's new stimulus measures and rising tension in Middle East. China's aggressive economic policies and escalating conflict in the Middle East have supported the silver prices. The Israel and the US signaled potential retaliation against Iran, fears of a broader conflict emerged, threatening to disrupt Middle Eastern supply and hike metals production costs. Meanwhile, China's efforts to stimulate its economy – including lowering interest rates and reducing mortgage rates – are likely to boost industrial metals demand.

Technical levels:

GOLD : The day trend in gold may remain upside today. It has resistance at 77000 and support at 75000.

SILVER :Technically, the uptrend may continue in silver today. It has support at 90000 and resistance at 93000.

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Crude oil & Natural gas overview:

Oil prices climbed more than 3% on Wednesday on rising concerns that Middle East tensions could escalate, potentially disrupting crude output from the region, following Iran's biggest ever military blow against Israel. An OPEC+ ministerial panel scheduled to meet on Wednesday is unlikely to recommend any changes to policy, allowing the group to start gradually increasing production from December. However, source said that OPEC likely to change its compensation plan.

U.S. natural gas futures edged up about 3% to a 15-week high as reduced output so far this year has cut the amount of the fuel going into storage for the winter heating season. That is because many producers reduced their drilling activities earlier this year after average spot monthly prices at the U.S. Henry Hub benchmark fell to a 32-year low.

Technical levels:

CRUDE OIL: Technically, a strong buying momentum may push the prices higher today. Crude oil has support at 5900 and resistance at 6200.

NATURAL GAS: The day trend is likely to be upside in natural gas today. It has resistance at 255 and support at 234

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COPPER1!+ALUMINIUM1!+ZINC1!, 1D, MCX O1,372.75 H1,388.20 L1,367.75 C1,380.70 +10.70 (+0.78%) Vol15.211K



Base metals overview:

The London Metal Exchange (LME) is tracking tightness in the aluminum market, which has seen a key spread shoot to a sizeable premium and one party amass a large long or bullish position in the October contract.

"The LME is closely monitoring the tightness in the aluminum market and has the necessary controls in place to ensure continued market orderliness," the LME said on Wednesday in response to a request for comment.

The premium of LME October aluminum over November hit \$18 a metric ton on Wednesday from a premium of \$5.85 about three weeks ago and a discount of \$17.50 in July.

The premium is known as backwardation and usually is a sign of tight near-term supply.

The benchmark LME aluminum contract climbed after the LME said it was monitoring the market, rising 1.2% to a near four-month high of \$2,680 a ton.

Prices could make further gains ahead of the October expiry in about two weeks if those with short or bearish positions scramble to cover, traders said.

Technical levels:

COPPER: Copper prices have faced resistance at 867, leading to a pullback. However, selling pressures persist, with support at 840. The market remains volatile, and traders should monitor these levels closely.

ZINC: Zinc prices have surged, the 300 resistance level. The strong bullish trend continues, with support at 262. Investors are optimistic about further gains, but market volatility remains a factor.

ALUMINUM: Aluminum prices have experienced a pullback, facing resistance at 243. Selling pressures remain, with support at 233. The market is currently volatile, and investors should monitor these levels closely.

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