

Commodity Overview

11-10-2024



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GOLD11+SILVER11, 1D, MCX O164,165 H166,030 L163,397 C165,601 +1,795 (+1.10%) Vol21.036K
Vol (50) 21.036K



Technical levels:

GOLD : Technically, the day trend may remain upside in gold today. It has resistance at 76000 and support at 74500.

SILVER : The upside move is likely to continue in silver today. It has support at 88000 and resistance at 92000.

Gold & Silver overview:

Gold rebounded from support levels and gained 0.5% yesterday. The minutes released on October 9 revealed that while a half-point reduction was ultimately decided upon, many members expressed uncertainty about this aggressive move, advocating instead for a more cautious approach. This substantial cut reflects ongoing efforts to balance inflation trends with labor market concerns. However, some officials preferred a more modest reduction of 25 basis points, indicating a desire for reassurance that inflation was on a sustainable downward trajectory.

Silver prices gained around 1.6% yesterday as the US Consumer Price Index (CPI) showed a rise 2.4% annually in September, which was lower than the 2.5% in August but higher than expectations of 2.3%. US Initial Jobless Claims in the week ending October 8 rose by 258K, which was above the 225K of the previous week and beat expectations of 230K. Although the inflation data revealed upside price pressures, the labor market data was weaker than expected, and – given the Federal Reserve's avowed prioritization of employment security over fighting inflation – suggests a greater chance the bank will maintain a pro-easing stance.

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CRUDEOIL1!+NATURALGAS1!, 1D, MCX O6,413 H6,630 L6,393 C6,618 +276 (+4.36%) Vol147.08K
Vol (50) 147.08 K



Crude oil & Natural gas overview:

Oil prices climbed more than 4% on Thursday on a spike in U.S. fuel use before Hurricane Milton barreled across Florida, Middle East supply risks and signs that demand for energy could grow in the U.S. and China. In a move that could boost oil demand in the world's second biggest oil consumer, China published a draft law aimed at promoting the development of the private sector, the country's latest step to boost investor confidence amid an economic slowdown. In the U.S., markets grew more confident the Federal Reserve would cut interest rates in November after data showed an increase in weekly jobless claims and an annual rise in inflation that was the lowest since February 2021.

The Energy Information Administration (EIA) shared in a report published on Thursday. The figure represents an increase of 82 billion cubic feet compared to the previous reading.

Technical levels:

CRUDE OIL: Technically, crude oil prices may continue the upside move today. It has support at 6150 and resistance at 6500.

NATURAL GAS: Technically, natural gas prices are likely to be range-bound to the upside today. It has support at 218 and resistance at 229.

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Base metals overview:

The US September non-seasonally adjusted CPI year-on-year rate was 2.4%, declining for the sixth consecutive month but exceeding expectations across the board. US Fed officials stated that shifting policy to neutral over time is appropriate, with the overall trend clearly showing a significant drop in inflation and the job market cooling to full employment levels. Expectations for a Fed rate cut increased, leading to a slight rise in copper prices. Domestically, several banks announced that the mortgage rate on existing home loans would be uniformly reduced by 30 basis points below the LPR. Fundamentally, although copper prices currently show a downward trend, the price spread between front-month and next-month contracts is large, and prices remain high. There is no significant improvement in downstream restocking demand

Technical levels:

COPPER: Copper prices have shown some buying interest at lower levels after a selloff in the first half of the day. The 820 level is expected to provide strong support, while the 840 level will act as resistance.

ZINC: Zinc prices also closed with a nearly 2% gain, indicating a renewed bullish momentum. The next immediate resistance is expected to be at 285, while support lies at 275.

ALUMINIUM: Aluminum prices closed with a 2% gain, forming a strong bullish candle. The next resistance level is expected to be at 243, while support lies at 230.

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