

Commodity Overview

13-09-2024



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GOLD1!+SILVER1!, 1D, MCX O156,396 H160,180 L156,348 C159,919 +3,542 (+2.27%) Vol36.183K
Vol (50) 36.183K



Gold & Silver overview:

The gold prices breached the several days range yesterday as the euro rose against the dollar on Thursday after European Central Bank President Christine Lagarde dampened expectations for an interest rate cut next month. However, the European Central Bank (ECB) announced on Thursday that it lowered the interest rate on the marginal lending facility to 3.9% from 4.5% and the deposit facility, also known as the benchmark interest rate, by 25 basis points (bps) to 3.5% as expected. The ECB also cut the interest rate on the main refinancing operations by 60 bps to 3.65%.

Silver prices gained 3% yesterday as mixed U.S. economic data released on Thursday cemented expectations of a 25-bps cut next week by the Federal Reserve. The U.S. initial jobless claims rose 2,000 to a seasonally adjusted 230,000. U.S. producer prices increased slightly more than expected in August to 0.2% as services costs rose, but the trend remained consistent with declining inflation. Bank of Japan board member said yesterday that the BOJ must raise rates to at least 1% as soon as the second half of the next fiscal year but added that it would likely raise rates slowly and in several stages, which supported the yen against US dollar.

Technical levels:

GOLD : Technically, upside movement could be continuing in today's session as prices are continue sustaining above the support of 72300. Gold has resistance at 73200.

SILVER : The day trend may remain upside in silver today. It has support at 85000 and resistance at 89000.

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CRUDEOIL1!+NATURALGAS1!, 1D, MCX 05,881 H6,068 L5,873 C6,009 +128 (+2.17%) Vol216.76K
Vol (50) 216.76K



Crude oil & Natural gas overview:

Oil prices rose more than 2% on Thursday, extending a rebound spurred by concern over Hurricane Francine's impact on U.S. output, though a gloomy demand outlook capped gain. An estimate shows that hurricane Francine has likely disrupted about 1.5 million barrels of U.S. oil production in the Gulf of Mexico by around 50,000 barrels per day.

EIA released its Weekly Natural Gas Storage Report. The report indicated that working gas in storage increased by 40 Bcf from the previous week, compared to forecast of +49 Bcf. The prices moved higher as traders reacted to the EIA report. The natural gas storage builds missed expectations, which has provided additional support to prices in the near term.

Technical levels:

CRUDE OIL: However, crude oil prices may face resistance near 5900 levels. It has support at 5650.

NATURAL GAS: Trend in natural gas may remain range-bound to the upside today. It has support at 190 and resistance at 207.

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COPPER1!+ALUMINIUM1!+ZINC1!, 1D, MCX O1,278.50 H1,293.85 L1,277.75 C1,288.05 +13.55 (+1.06%) Vol16.386K
Vol (50) 16.386K



Base metals overview:

U.S. PPI data was mixed. The U.S. PPI and core PPI month-on-month rates were 0.2% and 0.3% respectively, both exceeding expectations but with previous values revised lower. Initial jobless claims in the U.S. rose moderately to 230,000 last week. Interest rate futures indicate a 39% probability that the US Fed will cut rates by 50 basis points next week. The US dollar index declined, benefiting copper prices. Additionally, Hurricane Francine disrupted U.S. oil production, boosting international oil prices and subsequently leading to higher copper prices. Fundamentally, as copper prices rose yesterday, downstream buyers were largely cautious, primarily restocking as needed, which led to a decrease in demand.

Technical levels:

COPPER: Copper stock opened with a strong gap up, confirming a breakout from a symmetrical triangle pattern. The stock closed above the breakout level but faced resistance at the 800 level.

ZINC: Zinc prices surged yesterday, forming a strong bullish candle and continuing the upward trend. The stock is expected to face resistance at 266 and has a support level at 260.

ALUMINIUM: Aluminum prices are continuing their upward trend. The stock is expected to face resistance at 228 and has a support level at 221.

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Nirpendra Yadav Sr. Research Analyst

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M/s. Bonanza Portfolio Ltd at Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>

Research Analyst Regn No. INH100001666

SEBI Regn. No.: INZ000212137

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