

Commodity Overview

14-08-2024





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GOLD1!+SILVER1!, 1D, MCX O 151,798 H152,395 L151,094 C151,748 -614 (-0.40%) Vol20.935 K



Gold & Silver overview:

Gold prices in MCX retreated slightly from a key resistance level yesterday. The US wholesale inflation slowed as expected in July, easing after an unexpected flare-up the month before. That sets the stage for an even more crucial reading on price hikes data due today. The Producer Price Index, a measurement of average price changes seen by producers and manufacturers, was 2.2% for the 12 months ended in July, a stark pullback from the 2.7% increase registered in June. On a monthly basis, prices rose 0.1%, a slower pace than the 0.2% increase seen in June.

The silver prices remained down 0.80% yesterday. While, PPI, released yesterday from US, serves as a potential bellwether for retail-level inflation in the months ahead. The inflation data will be providing a critical look at how prices are changing for consumers in their everyday lives. Today's inflation data, is expected to be closely scrutinized as it's coming on the heels of an unexpectedly weak jobs report that sent markets into a tailspin last week. The forecasts are for CPI to rise 0.2% from June, likely pushed higher by rising gas prices, and hold steady at 3% annually, according to FactSet estimates. Core CPI is expected to rise 0.2% as well but slow on an annual basis to 3.2%.

Technical levels:

GOLD : The prices of gold may remain range-bound ahead of key inflation data. Gold has support at 69000 and resistance at 71000.

SILVER: Range-bound movement is expected in silver ahead of US CPI data. Silver has an immediate resistance at 82000 and support at 80000.



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CRUDEOIL1!+NATURALGAS1!, 1D, MCX O6,846 H6,924 L6,753 C6,777 -69 (-1.00%) Vol178.003K



Crude oil & Natural gas overview:

Oil prices dipped on Tuesday after five straight sessions of gains as OPEC's move to cut its forecast for demand growth in 2024 tempered fears of supply risks posed by widening conflict in the Middle East. The Organization of the Petroleum Exporting Countries' (OPEC) cut to expected demand in 2024 came even as the group and its allies, known as OPEC+, have aimed to raise output from October. Also, on Tuesday, the International Energy Agency (IEA) kept its 2024 global oil demand growth forecast unchanged but trimmed its 2025 estimate, citing the impact of lackluster Chinese consumption on economic growth. source: investing.com

The curtail of the demand forecast for crude oil by OPEC and EIA, has kept the upside limited in natural gas as well. Technically, Natural gas prices are facing resistance at 195 levels. the prices have formed a dogi pattern on daily chart which has paused the short-term upside move. While, buying momentum is diminishing near the resistance levels.

Technical levels:

CRUDE OIL: A correction towards the 6450 levels is expected in crude oil in the upcoming days. Crude oil has support at 6400 and resistance at 6700.

NATURAL GAS: The day trend may remain range-bound to the down side in natural gas. It has support at 167 and resistance at 190.



Commodity Overview



COPPER1!+ALUMINIUM1!+ZINC1!, 1D, MCX O1,260.50 H1,263.50 L1,248.85 C1,258.20 -7.40 (-0.58%) Vol14.954K



Base metals overview:

copper prices continued to decline. According to SMM data, the average price of SMM #1 copper cathode in July decreased by 1,977.71 yuan/mt MoM. The price difference between primary metal and scrap also continued to narrow. According to SMM statistics, the average price spread between secondary copper rod in Jiangxi and copper rod for power use in east China in July was 719 yuan/mt, down 254 yuan/mt MoM. During the month, the price difference between primary and secondary copper rods once narrowed to 325 yuan/mt. As copper prices continued to fall, downstream orders were further released, and the price difference between primary metal and scrap gradually narrowed, leading to more orders returning to copper cathode rods

Technical levels:

Copper: After a strong bullish candle, Copper formed an inside candle. A break above 792 could lead to further gains, with resistance at 802 and support at 775

Zinc: Zinc's three-day winning streak ended after hitting the 0.50% Fibonacci level. A small pullback is likely, with support at 253 and resistance at 260.

Aluminum: Aluminum faces resistance at 217. A break above could trigger a bullish move, with strong buying seen at the 213 support, marking it as a key level

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