

Commodity Overview

23-08-2024





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GOLD1!+SILVER1!, 1D, MCX O156,691 H157,075 L154,239 C154,930 -1,763 (-1.13%) Vol27.342K



Gold & Silver overview:

Gold prices fell from record highs in comex on Thursday as a rally in the yellow metal cooled, with market focus remaining on U.S. interest rate cuts and brewing fears of a recession. The yellow metal surged to record highs this week amid growing conviction that the Federal Reserve will begin cutting rates in September. However, a mix of profit taking and a rebound in the dollar pulled gold off its peaks on Thursday.

US job growth during much of the past year was significantly weaker than initially estimated, according to new data released Wednesday. The Bureau of Labor Statistics' annual benchmark review of employment data suggests that there were 818,000 fewer jobs in March of this year than were initially reported. The preliminary data marks the largest downward revision since 2009 and shows that the labor market wasn't quite as red hot as initially thought. However, job growth was still historically strong. Focus is now on an address by Fed Chair Jerome Powell at the Jackson Hole Symposium today.

Technical levels:

GOLD : Technically, gold prices corrected as they struggling to sustain above 100-SMA on daily chart. The prices are likely to extend the downwards move in today's session as well. Gold has support at 70000 and resistance at 72000.

SILVER : Technically, Silver prices may extend the losses in today's session. It has resistance at 85000 and support at 83000.



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Crude oil & Natural gas overview:

Oil prices gained around 2% yesterday as a drop in U.S. fuel inventories provided a floor, after four days of declines on investor concern over the global demand outlook. Prices plunged on Wednesday as revisions to jobs data in the United States added to concerns about crude oil demand after weak economic data out of China last week.

Natural gas in storage across the United States increased by 35 billion cubic feet in the week ending August 16 in comparison to the previous week to reach 3,299 billion cubic feet, the Energy Information Administration (EIA) revealed in its report on Thursday. On an annual basis, the natural gas stockpiles rose by 221 billion cubic feet, standing by 369 billion cubic feet above the five-year average of 2,930 billion cubic feet. The total working gas was within the five-year historical range. The higher storage data putting fresh pressure on natural gas prices.

Technical levels:

CRUDE OIL: The crude oil prices may remain range-bound today. It has support at 6000 and resistance at 6300.

NATURAL GAS: Technically, downside move may continue in natural gas today. It has support at 165 and resistance at 180.



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COPPER1!+ALUMINIUM1!+ZINC1!, 1D, MCX O1,298.65 H1,305.80 L1,280.55 C1,283.95 -13.45 (-1.04%) Vol15.037K



Base metals overview:

The latest US economic data was mixed, and the US dollar index rose, which was bearish for copper prices. The market needs more guidance, focusing on Fed Chairman Powell's speech on the economic outlook at the Jackson Hole Economic Symposium. Fundamentally, due to the continuous release of warrants, spot premiums/discounts declined. According to SMM, as of Thursday, August 22, copper stocks in major regions across China decreased by 5,400 mt from Monday to 283,500 mt, marking the seventh consecutive week of weekly destocking. Total inventory was 209,300 mt higher YoY compared to 74,200 mt last year. Price-wise, the downside for copper prices is expected to be limited. the S&P Global's US Manufacturing PMI index was lower-than-expected, while weekly jobless claims slightly exceeded expectations, providing data support for the US Fed's upcoming monetary policy decisions. Several Fed officials have indicated that a rate cut is imminent, making it a likely event. On the fundamentals, domestic aluminum ingot inventory continues to decline, but the destocking speed has slowed due to the aluminum price rebound, leading to increased market caution

Technical levels:

Copper: Copper broke below Tuesday's low, signaling bearishness. The next support is at 786, while 810 will serve as the main resistance if Copper rebounds.

Zinc: Zinc failed to sustain above 266 and nearly engulfed the previous candle, suggesting a possible retracement. Support is at 262, with resistance at 270.

Aluminum: Aluminum reached an intraday high of 229.60 but didn't sustain, forming a shooting star pattern. The next support is at 222, with resistance remaining at 228.

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