



Daily Technical Outlook: Metals and Energy Feb 7th, 2022

Bullion Index



The Benchmark index saw a flat opening on 4/02/22 following a volatile momentum throughout the day, closing was negative around 0.10% at 13980. But the index has made a Doji candle stick pattern along with a Pin Bar candle yesterday on daily chart at major support.

After a flat opening index had witnessed a positive momentum in morning session but selloff in evening session from the resistance of 14100-14120 levels. Index currently is in a sideways momentum, breaking of 13820 will be consider as a breakdown of the major support level of

index. On the higher side index will face resistance of 50-20 Daily EMAs cluster placed at Daily chart which is currently acting as a resistance level of 14100-14120.

Prices are trading below its 20 & 50 Daily EMA, which is a negative for the index & it will be acting as a Resistance for the index. 13900-13820 Is acting as a strong support zone for the index from past 2-3 months & from past two trading days index had witnessed a sharp bounce back from the same support levels.

On daily chart momentum oscillator RSI & EMA 20 showing a positive to sideways momentum (reading at 44) as it is taking support at 40 from past 3 months & showing bounce from it, sustaining above 50 will be a cross-over of RSI line & 20 EMA which will be positive & some relief rally will start.

Bullion Index had witnessed a bounce from 13900-13820 level &, which is a strong support & from past two days index is witnessing sharp bounce back from the support levels. Breaking of 14120 level will be conformation of continuation on upside & 14400 will be next level to watch as there is 200 Daily EMA placed.

Metals Index



The Benchmark index saw a flat opening on 4/02/22 following a sideways momentum throughout the day, closing was negative around 0.60% at 18350 but it had closed near its Immediate resistance of 18300-18350 levels.

After a flat opening index was trading sideways to bullish biased, index is currently in formation of the Cup & Handel chart pattern which is a continuation pattern & it has a break out above 18380-18400 levels. We should consider this as a buy on dips counter as it has a all the potential to break old highs.

Prices are trading above its 20 & 50 Daily EMA which is a positive for the index & on lower time frame index is taking support of both 20 & 50 EMA which is placed at 18250-18160 level respectively & this will be acting as immediate support for index. 20 Daily EMA will be acting as a major support for the index, which is placed at 17980, 17900-17840 is strong support zone to buy on dips.

On the daily chart, momentum oscillator RSI (14) & EMA 20 showing a positive momentum & it indicates that strength is still left on upside (reading at 64) as it had taken a support at 60 & started to moving up and also ADX shows reading at 39

Base Metal has reached at an Immediate Resistance of 18350, if it manages to break above 18400 then the trend may continue on upper side & 18600 will be next level for the index to watch which is ATH & the support will be 18160 level.

Technical Levels

Commodity	Contract Month	CLOSE	S1	S2	R1	R2	TREND
BULLIONS(Rs.)							

Gold M	Mar	47895	47550	47400	48150	48300	BEARISH
Silver M	Feb.	61172	60550	60000	61800	62500	BEARISH

ENERGY

Crude Oil	Feb.	6902	6850	6760	6960	7000	BULLISH
Natural Gas	Feb.	350.30	346	340	368	377	BEARISH

BASE METALS

Copper	Feb.	756.25	746	740	761	767	BULLISH
Zinc	Feb.	298.70	296	293	300.50	305	BULLISH
Lead	Feb.	184.10	182	180	186	188	BEARISH

Nickel	Feb.	1742.60	1730	1718	1750	1770	BULLISH
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Technical Research Analyst

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