

01-08-2025

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING





Gold Insight

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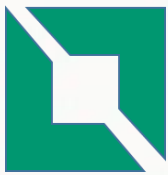


Gold News

- ❑ Gold prices hit a one-month low on Wednesday after the Federal Reserve maintained its hawkish stance despite President Trump's ire. The Federal Reserve held interest rates steady at 4.25%–4.50% on Wednesday in a 9-2 vote, with dissenting votes from Governors Michelle Bowman and Christopher Waller.
- ❑ However, Chair Jerome Powell offered no timeline for easing, and markets have largely pushed back expectations of a cut until later in 2025.

Technical Overview

- ❑ **GOLD** : Technically, gold prices remained down and have formed bearish doji followed by red candle at recent high on the daily chart. The MACD has given a negative crossover while RSI is hovering at 50 levels indicating a downside move in today's session. Gold has resistance at 100000 and support at 98000.



Silver News

- ❑ Trump's August 1 deadline for new tariff rates is looming large, creating a degree of uncertainty. The U.S. president announced a trade deal with South Korea on Wednesday, that will impose a 15% tariff on imports.
- ❑ However, India faces a 25% tariff on its exports to the U.S. starting Friday and is yet to reach a trade deal, while Brazilian goods are subject to duties as high as 50%. India is one of the largest consumer of silver.

Technical Overview

- ❑ **SILVER:** Technically, silver prices fell sharply and broken down the previously establish price range. The MACD has given a negative crossover while RSI is trading below 50 levels, indicating further downside in today's session. Silver has support at 108000 and resistance at 112,000.



Crude Oil Insight



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Crude oil News

- ❑ Oil price forecasts mostly unchanged for 2025, as a rise in OPEC+ output and ongoing U.S. tariff uncertainty weigh on the market, a Reuters poll showed on Thursday.
- ❑ Investors' attention is focused on ongoing U.S. trade negotiations and an August 1 tariff deadline. The market anticipates new tariffs from the administration of U.S. President Donald Trump could dampen global growth and in turn, oil demand.

Technical Overview

- ❑ **CRUDE OIL:** Technically, crude oil prices retreated from the recent high and have formed bearish Harami candle pattern on the daily chart. However, crude oil prices are trading above 200-day SMA and still holding the key support levels with strong buying momentum on the daily chart. The day trend is likely to be range-bound in today's session. Crude oil has resistance at 6200 and support at 5900.



Natural gas News

- ❑ Gas traders weighed stronger U.S. supply metrics. Lower-48 dry gas output was pegged at 107.2 bcf/day, up +3.1% year-over-year.
- ❑ Demand for the same day stood at 80.9 bcf/day, up just +0.9% y/y, signaling a widening supply-demand gap. Additionally, LNG net flows to U.S. export terminals dropped -5.4% week-over-week to 14.7 bcf/day, raising questions about near-term export-driven support.

Technical Overview

- ❑ **NATURAL GAS** : Technically, natural gas prices remained volatile and recovered from key support levels yesterday. Natural gas has formed a bullish piercing candle pattern on the daily chart. However, the prices are trading below 50,100 and 200-SMA and trading in downwards channel. The momentum indicators have turned bullish on intraday charts indicating a mild upside move in today's session. Natural gas has support at 260 and resistance at 290.



Base Metal News

- ❑ Tariffs generally pushed up prices. Data showed the US inflation rate rebounded in June. As the market expected Trump to outline new tariffs today, inflationary pressures persisted. Meanwhile, uncertainties surrounding countries without trade agreements with the US heightened risk-off sentiment, weighing on copper prices. Fundamentals side, suppliers showed low willingness to sell on the last trading day of the month, while end-use consumption remained weak.
- ❑ Inventory side, as of Thursday July 31, SMM survey showed copper inventories across mainstream Chinese regions decreased 1,000 mt from Monday to 119,300 mt. Weekly inventories stopped declining and rebounded, with total inventories 229,100 mt lower YoY than the 348,400 mt recorded in the same period last year.

Technical Overview

- ❑ **COPPER:** Copper after a trading in a range of 900 to 892 yesterday given a break down after a sharp move we can witness some profit booking move as copper is also near to 879 support level and resistance is at 886
- ❑ **ZINC:** Zinc broke the support of 266 but witness buy from lower level and made a high wick candle the resistance is at 267.5 and support at 263
- ❑ **ALUMINUM:** Aluminum after a trading in a range of 255 to 253 after a gap down given a break down and is currently trading near the support of 250 level and resistance is at 253



Dollar Index News

- ❑ The dollar index is hovering at a two month high after the Federal Reserve (Fed) decided to hold its benchmark federal funds rate in a range of 4.25%-4.5% at its July meeting on Wednesday.
- ❑ Fed Chair Jerome Powell said in a post-policy conference that the US central bank has "made no decisions" about a potential policy change in September, and it may take a bit to assess the effect of tariffs on consumer prices.

Technical Overview

- ❑ **DOLLAR INDEX :-** Technically, US dollar index continue the upside move and holding the key support levels. It has crossed 50 and 100-day SMA and set to move towards 200-day SMA. The MACD is positive while RSI has crossed 67 levels on the daily chart indicating an upside move in today's session. It has support at 98.50 and resistance at 100.40



USDINR News

- ❑ The Indian rupee ended sharply lower, posting its worst monthly drop in nearly three years due to renewed U.S. tariff threats on Indian exports, persistent foreign portfolio outflows, and a strengthening dollar index. The rupee closed at 87.75 on NSE futures, marking a 2% monthly decline and inching closer to its all-time low of 87.95.
- ❑ Concerns over strained U.S.-India trade relations, particularly after President Trump's announcement of a 25% tariff and potential penalties, weighed heavily on sentiment. Although potential RBI intervention limited intra-day volatility, continued FPI outflows and lack of positive trade developments leave the rupee vulnerable in the near term.

Technical Overview

- ❑ **USDINR :-** Technically, day trend may remain bullish in USDINR after approaching an important support zone of 87.00 level the next support level is placed at 86.35 level and resistance at 88



Derivative Insight



Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	100000	98000	1.29
SILVER	110000	100000	0.46
CRUDE OIL	6100	6100	1.78
NATURAL GAS	270	260	0.50
GOLD MINI	99000	98000	0.93
SILVER MINI	110000	110000	0.47

Highest Traded
Commodity

SILVER

Lowest Traded
Commodity

CARDAMOM

Script	Price	Price Change	OI Change%	Buildup
GOLD	98769	0.72 %	+3.0	Long buildup
SILVER	109972	-2.56 %	+30.0	Short buildup
CRUDE OIL	6052	-2.01 %	-16.7	Long unwinding
NATURAL GAS	271.8	1.08 %	-3.8	Short unwinding
COPPER	876.15	-2.39 %	-4.2	Long unwinding
ZINC	265.55	-0.75 %	-5.96	Long unwinding
ALUMINIUM	250.45	-1.34 %	-3.44	Long unwinding



Commodity Morning Update



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