04-06-2026

Bonanza

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING

Gold Insight

Gold News

- Gold prices ended lower on Wednesday, falling nearly 1% as investors remained concerned that war-driven inflation could keep global interest rates elevated for longer. Market participants also stayed cautious ahead of key U.S. economic releases and Federal Reserve commentary scheduled later this week.

- Despite ongoing geopolitical tensions in the Middle East, higher interest rate expectations continued to weigh on the yellow metal. Gold, traditionally viewed as a safe-haven asset during periods of economic uncertainty and geopolitical turmoil, tends to lose its appeal when interest rates rise, as it does not offer any yield. Additionally, a firmer U.S. dollar made dollar-denominated bullion more expensive for overseas buyers, further pressuring prices.

- Geopolitical tensions intensified after Iranian attacks on Kuwait reportedly damaged infrastructure and injured dozens, while U.S. military strikes near the Strait of Hormuz raised concerns about broader regional instability. However, inflation concerns stemming from higher energy prices overshadowed safe-haven demand for gold. Market attention now turns to upcoming U.S. employment data and speeches from Federal Reserve officials for further clues on the future path of monetary policy. According to CME's FedWatch Tool, traders currently see a 54% probability of at least one 25-basis-point interest rate hike this year.

Technical Overview

- **GOLD :** Technically, MCX Gold remains in a range-bound to bullish trend in the short term after decisively breaking out of its multi-week trading range a few days ago. A Pole & Flag pattern is visible on the daily chart, suggesting further upside potential. Any sustained move above the 161,000–164,500 zone is likely to push prices towards the resistance area of 169,000–170,000, provided support at 158,000–157,000–155,000–153,500 remains intact. Prices are trading above the 20-day SMA, indicating that short-term momentum is likely to continue. RSI is at 57 with an upward slope, suggesting further room for upside, while MACD remains above the zero line with a green histogram, indicating that every dip is being viewed as an accumulation opportunity.

Silver Insight

Silver News

- Silver prices declined 2.2% on Wednesday, underperforming gold as investors reduced exposure amid rising concerns over inflation and higher-for-longer interest rates. The metal came under pressure from a stronger U.S. dollar and elevated bond yields, which reduced the attractiveness of precious metals.

- Unlike gold, silver is influenced by both investment demand and industrial consumption. While ongoing geopolitical tensions generally support safe-haven assets, concerns about tighter monetary policy and slower global economic activity weighed more heavily on silver due to its industrial exposure.

- The escalation of hostilities in the Middle East continued to fuel inflation fears through higher energy prices, prompting investors to reassess expectations for future interest rate cuts. As a result, silver faced broader selling pressure despite continued uncertainty surrounding the Iran conflict. Market participants will closely monitor upcoming U.S. labor market data and Federal Reserve commentary for further direction. Any signs of slowing economic growth or a softer monetary policy outlook could provide support for silver, while persistent inflation and a stronger dollar may continue to limit upside potential.

Technical Overview

- **SILVER:** Silver attempted a breakout but failed to sustain above the 271,000 level, which is acting as a key resistance zone. The formation of a long upper wick indicates selling pressure at higher levels. Immediate support is placed at 261,000, while a decisive breakout above 271,000 could revive bullish momentum in the near term.

Crude Oil Insight

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Crude oil News

- Crude oil prices extended gains for a second consecutive session on Tuesday, with Brent crude rising 1% and WTI advancing more than 1.2% to a one-week high in volatile trading. Market participants closely monitored developments surrounding the Iran conflict, as Tehran reviewed a proposed agreement with the United States aimed at ending hostilities.

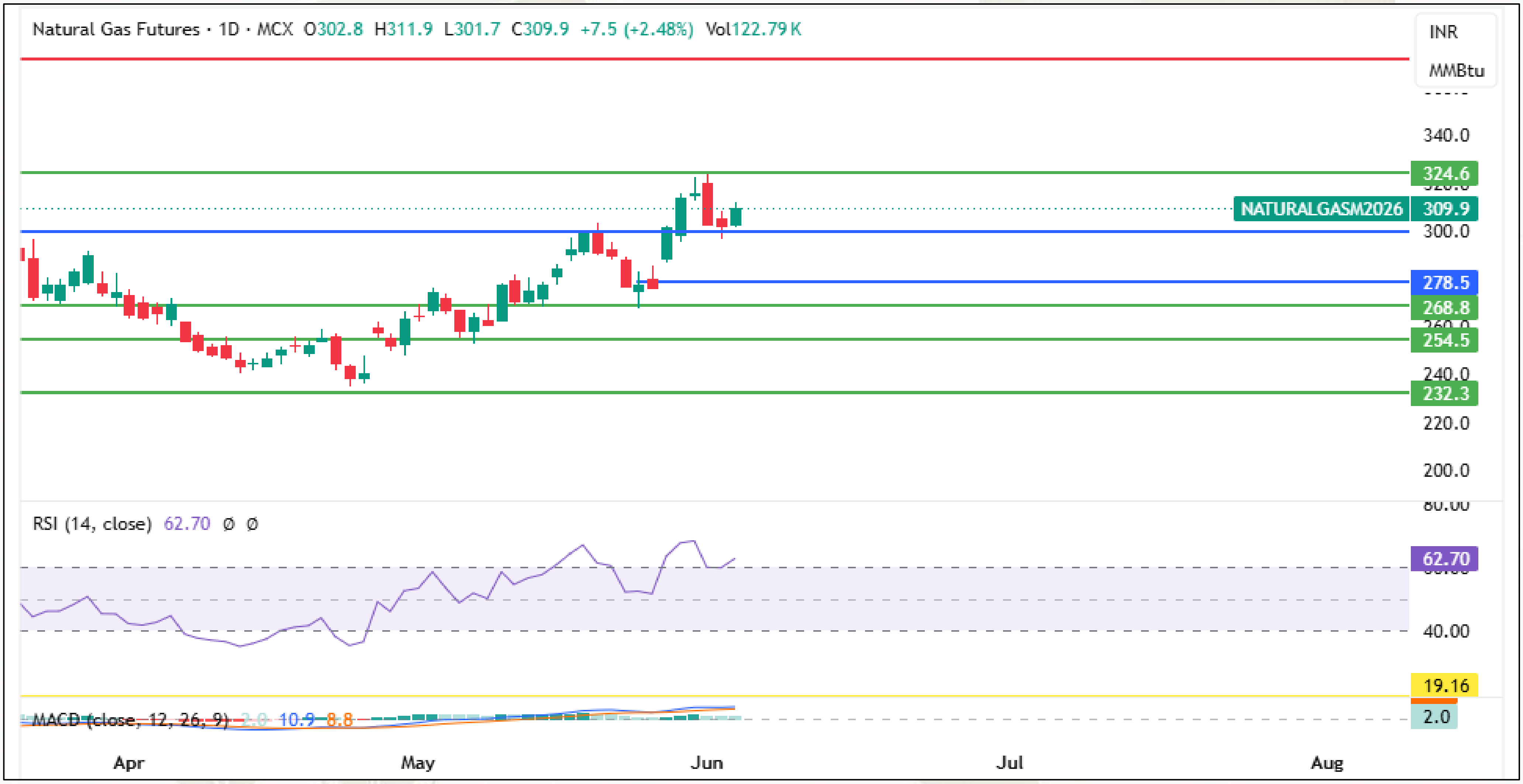
- While Iranian media reported that Tehran had not communicated with Washington in recent days, U.S. President Donald Trump stated that negotiations were continuing. The ongoing conflict has significantly disrupted shipping activity through the Gulf region, effectively restricting a substantial portion of global crude oil and LNG flows and maintaining upward pressure on energy prices.

- The U.S. blockade of Iranian ports also remains in place, adding to supply concerns. Separately, the International Energy Agency warned that global oil inventories could reach critically low levels ahead of the peak summer demand season if current stock drawdowns continue.

Technical Overview

- **CRUDE OIL**: Technically, Crude Oil in the domestic futures market is showing a Double Top formation and is currently testing its swing-low breakout zone. Prices are trading well below the 20-day SMA, indicating continued weakness in the short term. Any sustained move below the 8,500–8,200 support zone could trigger further downside towards the medium-term base area near 7,500. However, prices need to sustain above the 9,100 resistance level for the next leg of the rally. RSI is at 48 with a downward slope, indicating scope for further downside, while MACD remains above the zero line, suggesting buying support may emerge at lower levels.

Natural Gas Insight



Natural gas News

- Natural gas futures ended higher after volatile trading on Wednesday, supported by lower-level buying following recent declines. The short-term bullish structure remains intact as prices continue to hold above key technical demand zones.

- However, on the broader front, natural gas remains locked in a wide consolidation phase that has persisted for several weeks. Supply concerns related to ongoing Middle East tensions continue to provide support on declines. At the same time, gains remain capped by expectations of mild U.S. temperatures, which could reduce cooling demand, along with near-record U.S. natural gas production and ample domestic inventories. As a result, prices are expected to continue witnessing two-way movement within a broad trading range of 265–325 in the near term, with traders closely monitoring weather forecasts, inventory trends, and developments in global energy markets.

Technical Overview

- **NATURAL GAS** : Technically, Natural Gas is witnessing a sideways-to-bullish trend. For the next leg of the upmove, prices need to hold above the 295 support zone. Any sustained move above 325 could extend the rally towards the 345–350 zone, while immediate resistance is placed at 325–330. Support levels are seen at 295–285–265. RSI is near 59 with an upward slope, indicating further upside potential, while MACD remains above the zero line, suggesting that every dip is being viewed as a buying opportunity.

Base Metal Insight

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Base Metal News

- Base metals ended higher, although price action continues to remain confined within a relatively narrow range seen over recent weeks. Most metals remain close to record highs on domestic exchanges, supported by optimism surrounding potential geopolitical de-escalation and improved risk sentiment across global equity markets.

- However, upside momentum continues to face resistance from concerns over global economic activity, periodic strength in the U.S. dollar, elevated inventory levels, and expectations that interest rates could remain higher for longer. These factors continue to limit aggressive buying interest despite the overall constructive trend. Copper and the broader base metals complex remain supported by improving demand expectations and resilient investor sentiment, though traders remain cautious amid ongoing geopolitical uncertainty and macroeconomic headwinds.

Technical Overview

- **Copper:** Technically, Copper remains in a strong uptrend and, as long as support at 1,350–1,325 holds, prices are likely to test the 1,410–1,415 zone in the short term. Prices are trading above the 20-day SMA, indicating positive short-term momentum. RSI is at 65 with a flat slope, suggesting some profit booking may emerge at higher levels, while MACD remains above the zero line with a rising histogram, indicating continued upside potential.

- **Zinc** : Lower-level buying continues to emerge following last week's profit booking. Technically, Zinc remains in an uptrend with the potential to test the 375–380 zone in the short term, provided support at 363–358–345 holds. RSI is at 66 with a flat slope, indicating mild profit booking at higher levels, while MACD remains above the zero line with an increasing histogram, suggesting buying interest on every decline.

- **Aluminum:** A strong bullish Marubozu candle on the daily chart, accompanied by rising volumes, indicates a strong uptrend in Aluminium. Prices have registered a new all-time high on the domestic futures exchange and are expected to move towards the 400 mark as long as support at 385–380–365–350–345 remains intact. RSI is at 68 with a flat slope, indicating some possibility of profit booking at higher levels, while MACD remains firmly above the zero line, reflecting strong buying support on dips.

- **Nickel** : Nickel has taken support near the 1,800 level and formed a base before breaking out from the consolidation zone. Immediate resistance is placed at 1,900, while support remains at 1,800. A sustained breakout above 1,900 could trigger a fresh bullish move and extend the ongoing uptrend.

- **Electricity Futures**:Electricity Futures, after giving a range breakout, failed to sustain bullish momentum and have slipped back near the key support zone of 4,500. Immediate resistance is placed at 5,200. A decisive move above resistance could reignite bullish momentum, while a breakdown below support may invite fresh selling pressure.

- **Bulldex**: The Bullion Index (Bulldex) has eroded the gains of last week's bullish move and continues to show signs of weakness. Immediate support is placed at 38,000, while resistance is seen at 40,000. A breakout on either side could determine the next directional move.

Dollar Index News

- **The US Dollar Index (DXY)** traded modestly firmer overnight, hovering around **99.40–99.55 levels** (closing near 99.43–99.53 on June 3 with small gains of 0.1–0.3%). The greenback found support from safe-haven demand tied to renewed Hormuz tensions and Middle East uncertainties, along with expectations of higher-for-longer US interest rates amid sticky inflation risks linked to energy prices. The DXY has moderated from earlier 2026 peaks above 100 but rebounds on geopolitical flares and remains a key headwind for dollar-denominated commodities.

Technical Overview

- **DOLLAR INDEX :-** The Dollar Index (DXY), after breaking out of a symmetrical triangle pattern, is currently trading in a narrow range between 98.93 and 99.40. A breakout above 99.40 could strengthen bullish momentum and open the door towards higher levels, while a move below 98.93 may trigger renewed selling pressure in the near term.

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USDINR News

- **USDINR showed marginal firmness overnight and traded in the 96.00–96.60 zone (near recent multi-week highs).** The rupee continued facing sustained pressure from the resilient dollar, elevated crude oil import costs due to persistent Hormuz disruptions (India imports ~85% of its oil), steady foreign institutional outflows, and broader current account concerns. The **Reserve Bank of India (RBI)** has remained highly proactive with significant spot dollar sales through state-run banks, selective NDF market tightening, monitoring of large corporate dollar purchases, and liquidity tools such as the recent $5 billion USD/INR buy-sell swap auction. While some stricter FX curbs imposed earlier have been partially rolled back, the RBI continues aggressive vigilance to defend key psychological levels and limit rupee underperformance versus Asian peers. Domestic factors like the significantly inflated oil import bill have added to the downward bias, though consistent interventions have helped cap sharper declines and kept volatility somewhat contained. With the RBI monetary policy decision approaching on June 5 (widely expected to hold rates steady), USDINR is expected to open cautiously, closely tracking DXY movements, global risk sentiment, and any fresh US-Iran/Hormuz headlines as Indian markets begin trading. The rupee has weakened notably year-to-date amid the prolonged oil supply shock.

Technical Overview

- **USDINR :-** Technically, day trend may remain **BULLISH** in USDINR after approaching an important support zone of 95.13 level the next support level is placed at 94.3 level and resistance at 97 if that breaks then the next resistance will at 98

Derivative Insight

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Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	170000	145000	0.62
SILVER	300000	220000	0.82
CRUDE OIL	9200	8500	1.48
NATURAL GAS	310	300	1.04
GOLD MINI	160000	150000	0.69
SILVER MINI	300000	230000	0.73

Highest Traded Commodity	CRUDE OIL	Lowest Traded Commodity	CARDAMOM

Script	Price	Price Change	OI Change%	Buildup
GOLD	158519	-0.52 %	0.24	Short Buildup
SILVER	262958	-1.41 %	11.12	Short Buildup
CRUDE OIL	9240	3.24 %	22.29	Long Buildup
NATURAL GAS	309.9	2.48 %	-12.23	Short Unwinding
COPPER	1367	-0.83 %	-1.09	Long Unwinding
ZINC	373.30	-0.08 %	35.19	Short Buildup
ALUMINIUM	393	-0.44 %	19.24	Short Buildup

Commodity Morning Update

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