

05-08-2025

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING





Gold Insight



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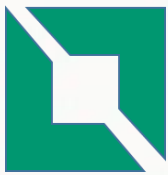


Gold News

- ❑ Gold prices remained relatively steady on Monday, consolidating gains after a sharp rally in the previous session. The precious metal found strong support from growing expectations that the U.S. Federal Reserve could soon pivot to interest rate cuts, following the release of disappointing labor market data.
- ❑ According to data published last Friday, U.S. nonfarm payrolls rose by only 73,000 in July—substantially lower than market expectations. Moreover, job creation figures for May and June were revised downward, reinforcing the perception that the U.S. economy is losing momentum.

Technical Overview

- ❑ **GOLD** : Technically, gold prices gained for second consecutive day with moderate volume. The momentum indicators have turned bullish on the daily charts indicating further upside in today's session. Gold has resistance at 103000 and support at 100000.



Silver News

- ❑ The weak employment data has bolstered the case for monetary easing, a scenario that traditionally supports gold, as lower interest rates reduce the opportunity cost of holding non-yielding assets like bullion. In addition to the Fed outlook, investor sentiment has been further tilted toward safe-haven assets amid rising geopolitical and economic uncertainty.
- ❑ President Trump's latest decision to implement broad-based tariffs on a host of imports—from nations such as Canada, Brazil, India, and Taiwan—has added to inflationary pressures and raised alarm over the potential for trade disruptions. These developments have contributed to fears of a slowdown in global economic growth, pushing investors to seek refuge in gold, which is often seen as a hedge against inflation, currency debasement, and market volatility. In an environment of subdued yields and policy uncertainty, the appeal of gold remains robust.

Technical Overview

- ❑ **SILVER:** Technically, silver prices have gained yesterday and have formed a morning star candle pattern on the daily chart. The MACD is positive on 2-hourly chart while RSI is trading at 60 levels, indicating a mild upside move in today's session. Silver has support at 110,000 and resistance at 113,000.



Crude oil News

- ❑ In contrast, crude oil prices slipped to their lowest levels in a week on Monday as bearish sentiment gripped the energy markets. The downside was primarily driven by the decision from OPEC+ to proceed with a sizable production hike scheduled for September. This move, aimed at easing supply constraints, has instead intensified concerns of a potential supply glut, especially in the absence of corresponding demand strength.
- ❑ Contributing to the bearish outlook were recent reports from the U.S.—the world's largest oil consumer—highlighting tepid fuel demand. The data underscored the fragility of the demand recovery and raised doubts about the resilience of consumption, particularly amid rising inflation and slowing economic indicators. Traders remain cautious, as the supply-demand imbalance may worsen if economic growth continues to falter.

Technical Overview

- ❑ **CRUDE OIL:** Technically, crude oil prices are remained down for third consecutive session yesterday. However, prices recovered from lower levels and have formed a pin bar at the support of 50-day SMA. Crude oil is hovering near 200-day SMA indicating a range-bound move in today's session. Crude oil has resistance at 6000 and support at 5700.



Natural gas News

- ❑ The natural gas market continues to face headwinds as prices remain under pressure due to sluggish demand and mounting macroeconomic concerns. With summer heatwaves failing to materialize consistently, demand for cooling has remained muted, further weighing on natural gas consumption in the short term.
- ❑ In addition, the broader global economic outlook is clouded by increasing geopolitical tensions and the disruptive impact of new tariffs. Market participants are increasingly pricing in the possibility of a slowdown in industrial activity and global trade, which would weaken demand for energy across the board. Amid this uncertainty and lack of strong fundamental support, the natural gas market remains on the defensive.

Technical Overview

- ❑ **NATURAL GAS** : Technically, Natural gas prices are remained down and have breached the multiple month of support levels, placed at 260. The prices are trading below 50,100 and 200-SMA and trading in downwards channel indicating further downtrend in today's session. Natural gas has further support at 250 and resistance at 274.



Base Metal News

- ❑ US Fed's Daly stated that the timing for interest rate cuts is approaching, with the likelihood of more than two cuts this year. Goldman Sachs expects the US Fed to implement three consecutive 25-basis-point rate cuts starting from September, noting that a rise in the unemployment rate could trigger a 50-basis-point cut. Strengthened expectations for US Fed interest rate cuts provided support for copper prices. On the fundamentals, supply and demand remained weak.
- ❑ Supply side, arrivals of both imported and domestic copper increased, with SMM's nationwide mainstream copper inventories rising by 16,600 mt WoW to 135,900 mt as of August 4, though overall inventory levels remained low. Demand side, downstream purchase willingness weakened due to rising copper prices.

Technical Overview

- ❑ **COPPER:** Copper after a sharp fall on last Thursday and yesterday given a bullish again heading towards the 900 level and support 880 level
- ❑ **ZINC:** Zinc after a break out of the triangle pattern it has given a good retest move resistance is placed near to 870 and 262 is a strong support zone
- ❑ **ALUMINUM:** Aluminum after a sell off yesterday given a strong bullish move the resistance is at 253 and support at 250



Dollar Index News

- ❑ The U.S. dollar regained some ground on Monday after Friday's sharp sell-off, driven by disappointing U.S. jobs data, the resignation of a Fed Governor, and President Trump's dismissal of a key statistics official. Despite those setbacks, the dollar posted a strong 3.4% gain in July—its best monthly performance since April 2022—as markets began to adjust to Trump's aggressive trade policies amid resilient U.S. economic data.
- ❑ The dollar index edged up to 98.77, while the greenback strengthened against the yen, euro, and Swiss franc. Markets now anticipate an 84% chance of a Fed rate cut in September, with nearly 60 basis points of easing expected by year-end, keeping the dollar's outlook cautiously balanced.

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 continued its downward trend, ending at 87.73 on the NSE futures, pressured by persistent foreign portfolio outflows, dollar demand from oil marketing companies, and lingering U.S. tariff concerns. Despite brief intraday relief likely due to central bank intervention, the rupee remains under pressure after July's 2% fall—its worst monthly performance since September 2022.
- ❑ Heightened U.S.-India trade tensions, following President Trump's imposition of 25% tariffs on Indian exports, have weighed on investor sentiment. With \$2 billion in FII outflows during July and potential for further monetary easing by the RBI amid subdued inflation, the rupee risks breaching its all-time low of 87.95 if no trade resolution emerges.

Technical Overview

- ❑ **USDINR :-** Technically, day trend may remain bullish in USDINR after approaching an important support zone of 87.30 level the next support level is placed at 86.5 level and resistance at 88



Derivative Insight



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Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	102000	100000	1.85
SILVER	115000	110000	0.55
CRUDE OIL	5900	5800	0.73
NATURAL GAS	270	260	0.35
GOLD MINI	100000	99000	1.36
SILVER MINI	112000	110000	0.57

Highest Traded
Commodity

SILVER

Lowest Traded
Commodity

CARDAMOM

Script	Price	Price Change	OI Change%	Buildup
GOLD	101204	1.45 %	15.5	Long buildup
SILVER	112263	1.79 %	-9.3	Short unwinding
CRUDE OIL	5836	-0.86 %	7.6	Short buildup
NATURAL GAS	256.7	-5.03 %	24.3	Short buildup
COPPER	887.55	0.89 %	0.7	Long buildup
ZINC	265.25	1.24 %	-5.4	Short unwinding
ALUMINIUM	249.20	0.70	15.5	Long buildup



Commodity Morning Update



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