08-07-2026

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING

Gold Insight

Gold News

- Gold prices declined around -1.04% on Tuesday as investors closely monitored escalating geopolitical tensions in the Middle East while awaiting the minutes of the U.S. Federal Reserve's June policy meeting for further clarity on the interest rate outlook. Although renewed attacks in the Strait of Hormuz and rising oil prices kept inflation concerns alive, a stronger U.S. dollar continued to pressure bullion by making it more expensive for overseas buyers. Gold had touched a two-week high earlier in the week after softer-than-expected U.S. labour market data reduced near-term rate hike expectations. Meanwhile, China's central bank extended its gold-buying streak for a 20th consecutive month, increasing its reserves to 75.44 million fine troy ounces by the end of June. According to the CME FedWatch Tool, markets are currently pricing in a 60% probability of a September rate hike, providing some support to bullion despite the stronger dollar.

Technical Overview

- **GOLD :** Technically, **MCX Gold (5th Aug)** remains in a short-term downtrend as prices continue to trade below the **20, 50, and 100-day SMAs**, while also breaking below the long-term **200-day SMA**. The swing-low breakdown, accompanied by rising volumes, indicates that bears remain firmly in control. Any pullback at current levels is likely to be viewed as a technical correction, with prices expected to retest the **136,000–136,500** zone as long as resistance at **148,000–149,500** remains intact. RSI is at **43** with a flat slope, indicating downside momentum is still prevailing, while **MACD remains well below the zero line with a long red histogram**, suggesting continued bearish pressure.

Silver Insight

Silver News

- Silver prices fell nearly 2.22% on Tuesday, underperforming gold as investors remained cautious ahead of the release of the Federal Reserve meeting minutes and amid continued strength in the U.S. dollar. While escalating tensions in the Middle East supported safe-haven demand to some extent, concerns that higher energy prices could keep inflation elevated and delay future monetary easing weighed on sentiment. Silver also faced pressure from uncertainty surrounding global industrial demand and expectations that interest rates could remain higher for longer. Going forward, price direction is likely to be influenced by Federal Reserve policy expectations, movements in the U.S. dollar, and industrial demand from key sectors such as renewable energy and manufacturing.

Technical Overview

- **SILVER:** Silver witnessed sharp selling after forming small-bodied candles following the previous gap-down session. Prices continue to struggle near the **240,000** resistance level, indicating a lack of bullish follow-through. Immediate support is placed at **230,000**, while a sustained breakout above **240,000** could revive buying interest and strengthen bullish momentum in the near term.

Crude Oil Insight

Crude oil News

- Crude oil prices rallied on Tuesday, with Brent crude gaining around 3% and WTI advancing nearly 2.75%, after the United States revoked the general license permitting the sale of Iranian crude oil, raising fresh concerns over global supply. Market sentiment was further supported by reports of attacks on multiple vessels in the Strait of Hormuz, including a Qatari LNG carrier and a Saudi-flagged crude tanker, which reignited fears of disruptions to one of the world's most critical energy shipping routes. The U.S. strongly condemned Iran's actions and warned of possible consequences, further increasing geopolitical uncertainty. The combination of tighter sanctions on Iranian oil exports and renewed shipping risks added a significant geopolitical risk premium to crude oil prices.

Technical Overview

- **CRUDE OIL**: Technically, Crude Oil in the domestic futures market remains in a downtrend, with prices trading below the **20, 50, 100, and 200-day SMAs**. The recent formation of narrow-range candles after the sharp decline indicates temporary consolidation within the prevailing bearish trend, with further downside still expected towards the **6,000** level. On the upside, prices need to sustain above the **7,400–7,500** resistance zone to signal any meaningful recovery. RSI is at **35** with a downward slope, indicating continued downside momentum, while **MACD remains below the zero line**, confirming persistent bearish sentiment.

Natural Gas Insight

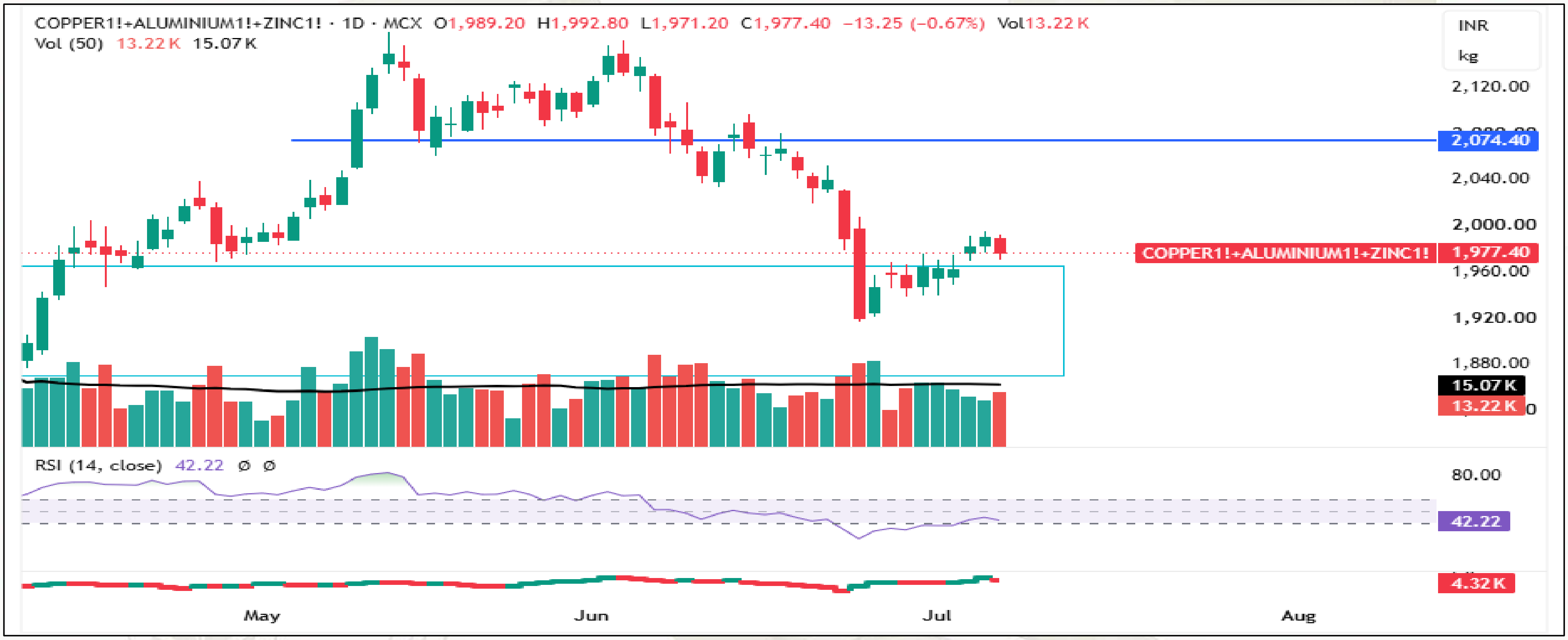
Natural gas News

- Natural gas futures ended higher on Tuesday, moving closer to last week's swing high as increased trading volumes reflected renewed buying interest. The short-term bullish trend remains intact following the recent rebound from key technical demand zones, although prices have continued to trade within a relatively narrow range over the past few sessions. Ongoing geopolitical tensions in the Middle East continue to provide support by raising concerns over potential energy supply disruptions, while forecasts for relatively mild U.S. temperatures, near-record domestic production, and comfortable supply levels continue to limit sustained upside momentum. In the near term, natural gas is expected to remain range-bound within the broader **285–325** trading band.

Technical Overview

- **NATURAL GAS** : Technically, Natural Gas continues to trade in a **sideways-to-bullish** trend. For the next leg of the rally, prices need to sustain above the **320–325** resistance zone. A successful breakout could extend gains towards the **345–350** belt, while support remains intact at **295–285**. RSI is near **56** with a flat slope, indicating room for further upside, while **MACD remains above the zero line**, suggesting that every dip continues to be viewed as a buying opportunity.

Base Metal Insight



Base Metal News

- Copper and other base metals ended the session largely unchanged as investors balanced renewed geopolitical tensions against ongoing macroeconomic uncertainty. Rising energy costs and supply chain concerns provided some support to industrial metals, but gains were capped by a stronger U.S. dollar, elevated inventory levels, and expectations that global interest rates will remain higher for longer. Concerns over slowing manufacturing activity and weaker global economic growth also continued to weigh on demand prospects. Overall, the base metals complex is expected to remain volatile as markets monitor economic data, central bank policy, inventory trends, and developments in the Middle East.

Technical Overview

- **Copper:** Technically, Copper remains in a **downtrend**, and as long as resistance at **1,290–1,310** holds, prices are expected to drift towards the **1,150–1,160** zone in the short term. Prices continue to trade below the **20-day SMA**, indicating ongoing long unwinding. RSI is at **43** with a flat slope, suggesting weak momentum, while **MACD remains below the zero line with a falling histogram**, indicating that bearish momentum continues to dominate.

- **Zinc** : Zinc ended lower after failing to sustain its intraday swing breakout, although prices continue to trade around the short-term **20-day SMA**, suggesting bulls are attempting to regain control. A decisive move above the **372–377** resistance zone could trigger a fresh rally, provided support at **360–355** remains intact. RSI is at **55** with an upward slope, indicating improving momentum, while **MACD remains above the zero line with an increasing histogram**, suggesting buying interest continues to emerge on dips.

- **Aluminum :** Aluminium ended the session flat and continues to trade in a narrow range, indicating indecision after the recent decline. The broader technical structure still points towards further downside, with prices likely to test the **330–325** support zone as long as resistance at **340–345/360** caps the upside. RSI is at **30** with a downward slope, indicating continued long unwinding, while **MACD remains below the zero line**, suggesting selling pressure is likely to persist on rallies.

- **Nickel** : Nickel has been witnessing consolidation after the sharp sell-off seen since the last week of June. Prices are currently forming a series of **small-bodied candles**, indicating indecision near lower levels. Immediate support is placed at **1,520**, while resistance is seen at **1,650**. A breakout on either side of this range is likely to determine the next directional move.

- **Electricity Futures**: Electricity Futures have confirmed a breakdown below the key **4,370** support level, indicating renewed bearish momentum. The next major support is placed at **4,000**, while immediate resistance is seen at **4,600**. As long as prices remain below the breakdown zone, the short-term bias is expected to remain negative.

- **Bulldex**: The Bullion Index (Bulldex) witnessed selling pressure after a brief pullback rally and failed to sustain above the 36,000 level. Prices are once again approaching the key support zone of 34,000, which also coincides with a significant swing-low level. A sustained breakdown below 34,000 could open the door for further downside in the near term, while holding above this support may encourage a technical rebound.

Dollar Index News

- **The US Dollar Index (DXY)** traded modestly firmer overnight, hovering around **100.90–101.20 levels** (recently closing near 100.96–101.00 with small gains of ~0.1%). The greenback found support from lingering safe-haven demand tied to Middle East tensions and expectations of higher-for-longer (or potentially higher) US interest rates amid sticky inflation risks and shifting Fed pricing. The DXY has remained elevated near recent highs and continues to act as a notable headwind for dollar-denominated commodities.

Technical Overview

- **DOLLAR INDEX :-** Technically, the Dollar Index (DXY) remains in a bullish trend but is currently facing resistance near the **102.00** level, where profit booking and selling pressure have emerged. Immediate support is placed at **100.50**. A sustained move above **102.00** could extend the bullish momentum towards higher levels, while a break below **100.50** may trigger a deeper corrective decline in the near term.

Forex Insight

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USDINR News

- **USDINR showed marginal firmness overnight and traded in the 94.80–95.30 zone (near recent levels around 94.95–95.20).** The rupee faced mild pressure from the resilient dollar and residual oil import cost concerns due to Hormuz volatility (India imports ~85% of its oil), but was supported by RBI interventions and some easing in broader risk sentiment following Saudi Arabia's sharp crude price cut for Asia. The **Reserve Bank of India (RBI)** has remained highly proactive following its early June policy meeting (holding the repo rate at 5.25% with adjusted growth and inflation forecasts). Key tools include frequent spot dollar sales through state-run banks, selective NDF market tightening, monitoring of large corporate dollar purchases, and supportive liquidity measures such as USD/INR buy-sell swap auctions, FX hedging subsidies for FCNR(B) deposits, concessional swaps for ECBs, and tax incentives to attract foreign inflows (targeting substantial capital). While the rupee weakened notably year-to-date amid the prolonged oil supply shock, consistent RBI actions have helped stabilise it, limit excessive volatility, and support a recovery from recent peaks near or above 96 versus Asian peers. Domestic factors like steady foreign institutional outflows and current account concerns persist, but the overall bias has turned more constructive with moderating oil prices and gradual geopolitical relief. With no major domestic data releases overnight, USDINR is expected to open cautiously, closely tracking DXY movements, global risk sentiment, and any fresh US-Iran/Hormuz updates as Indian markets begin trading.

Technical Overview

- **USDINR :-** Technically, day trend may remain **Sideways** in USDINR after approaching an important support zone of 94.1 level the next support level is placed at 93.5 level and resistance at 95.8 if that breaks then the next resistance will at 97

Derivative Insight

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Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	160000	140000	0.85
SILVER	250000	200000	0.68
CRUDE OIL	6600	6600	0.82
NATURAL GAS	310	310	1.16
GOLD MINI	150000	145000	0.78
SILVER MINI	240000	200000	0.60

Highest Traded Commodity	NATURAL GAS	Lowest Traded Commodity	MENTHAOIL

Script	Price	Price Change	OI Change%	Buildup
GOLD	145392	-1.04 %	0.75	Short Buildup
SILVER	230857	-2.22 %	2.10	Short Buildup
CRUDE OIL	6705	2.35 %	-0.10	Long Unwinding
NATURAL GAS	311.7	0.84 %	0.57	Short Buildup
COPPER	1276.05	-0.88 %	-0.98	Short Unwinding
ZINC	368.10	-0.73 %	18.01	Long Buildup
ALUMINIUM	333.25	0.24 %	-5.83	Short Unwinding

Commodity Morning Update

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