16-07-2026

Bonanza

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING

Gold Insight

Gold News

- Gold prices ended nearly unchanged on Wednesday after recovering from an intraday decline of around 1%, as softer-than-expected U.S. producer inflation data provided support despite ongoing geopolitical tensions in the Middle East. The U.S. Producer Price Index unexpectedly fell 0.3% in June, reducing expectations of an immediate Federal Reserve rate hike and easing pressure on bullion. However, gains remained limited as renewed U.S. military strikes on Iranian targets and Iran's threats to disrupt regional energy exports kept inflation concerns elevated, while a stronger U.S. dollar continued to weigh on sentiment. According to the CME FedWatch Tool, markets now see only a 10.2% probability of a July rate hike, while the probability of a September hike remains around 75%.

Technical Overview

- **GOLD :** Technically, MCX Gold (5th Aug contract) remains in a short-term downtrend as prices continue to trade below the 20-, 50-, and 100-day SMAs after breaking below the long-term 200-day SMA. The swing-low breakdown, accompanied by higher volumes, suggests that bears remain firmly in control. Any pullback is likely to be a technical correction, with prices expected to revisit the **136,000–136,500** zone as long as resistance at **143,000–145,000–148,000** holds. RSI is at **39** with a flat slope, indicating continued downside bias, while the MACD remains well below the zero line with a long red histogram, reinforcing bearish momentum.

Silver Insight

Silver News

- Silver prices declined around 1.8% on Wednesday, underperforming gold as investors remained cautious despite weaker-than-expected U.S. producer inflation data. Although the softer PPI report reduced expectations of an immediate Federal Reserve rate hike, escalating tensions between the United States and Iran, rising oil prices, and persistent concerns over inflation kept pressure on the precious metals complex. The stronger U.S. dollar and uncertainty surrounding global industrial demand also limited buying interest, leaving silver vulnerable to further volatility in the near term.

Technical Overview

- **SILVER:** Technically, Silver opened with a gap-down but traded within the previous session's range, indicating indecision after recent weakness. Prices continue to hover near the crucial **220,000** support zone, making this level important for the short-term trend. A sustained break below **220,000** could revive selling pressure, while resistance is placed at **228,000**. Until either level is breached decisively, Silver is likely to remain range-bound with a cautious undertone.

Crude Oil Insight

Crude oil News

- Crude oil prices ended lower on Wednesday, with Brent crude slipping around 1.1% and WTI declining nearly 1%, as markets looked past fresh U.S. military strikes on Iranian targets and focused instead on improving supply conditions. The U.S. Energy Information Administration reported a smaller-than-expected draw of 1.7 million barrels in crude inventories, easing immediate supply concerns. Meanwhile, the latest U.S. strikes targeted Iran's coastal defence systems and missile infrastructure in an effort to secure shipping through the Strait of Hormuz. Goldman Sachs noted that Gulf oil exports, which had recovered following the June U.S.-Iran agreement, have once again fallen below 50% of pre-war levels, highlighting that geopolitical risks continue to keep the energy market volatile.

Technical Overview

- **CRUDE OIL**: Technically, Crude Oil in the domestic futures market is showing early signs of a trend reversal as prices have moved above the short-term 20-day SMA. However, confirmation is still awaited since prices continue to trade well below the long-term 50-, 100-, and 200-day SMAs, keeping the broader trend weak. Unless prices sustain above the **7,850–8,000** resistance zone, the possibility of another decline towards **6,000** remains intact. RSI is at **56** with an upward slope, indicating improving momentum, while MACD remains below the zero line, suggesting the broader bearish trend is still dominant.

Natural Gas Insight

Natural gas News

- Natural gas futures ended marginally higher on Wednesday as short covering and technical buying at lower levels supported prices. Despite the modest recovery, the market continues to trade below last week's sharp decline, indicating that upside momentum remains limited. The short-term bullish trend is still intact following the rebound from key technical demand zones, but mild U.S. weather forecasts, near-record domestic production, and ample supply continue to cap gains. At the same time, ongoing geopolitical tensions in the Middle East are providing underlying support by sustaining concerns over potential energy supply disruptions. In the near term, natural gas is expected to remain range-bound within the broader **270–325** trading range.

Technical Overview

- **NATURAL GAS** : Technically, Natural Gas remains in a downtrend. For any meaningful recovery, prices need to sustain above the **320–325** resistance zone, which could open the door for an advance towards **345–350**. On the downside, sustained trading below **270** may drag prices towards the **255** level, while immediate resistance is placed at **290–295**. RSI is near **40** with a downward slope, indicating weakness in momentum, although the MACD remains above the zero line, suggesting buying interest may emerge on sharp declines.

Base Metal Insight

Base Metal News

- **Geopolitical developments from the US-Iran conflict continued to dominate sentiment.** Fresh tit-for-tat strikes and threats around the **Strait of Hormuz** have renewed fears of supply disruptions for Gulf-origin aluminium (a notable share of ex-China primary supply), keeping freight, insurance, and energy cost pressures elevated despite some tanker traffic improvements earlier in the month.

Technical Overview

- **Copper:** Technically, Copper formed a Doji candle after its recent breakout, reflecting temporary indecision while maintaining an improved short-term technical outlook. The breakout remains valid as long as prices hold above the **1,290** support level. Immediate resistance is placed at **1,350**, and a sustained move above this level could extend the ongoing recovery. The overall bias remains cautiously bullish while prices trade above the breakout zone.

- **Zinc** : Technically, Zinc continues to consolidate following its recent breakout, with selling pressure emerging near the **380** level. Despite the pause, the broader structure remains positive, indicating that bulls are attempting to regain momentum. A sustained move above **380** could trigger the next leg of the uptrend, while immediate support is placed at **372**.

- **Aluminum :** Technically, Aluminium once again witnessed selling pressure near the **345** resistance after attempting to break above the previous swing high. Although short-term profit booking persists, the overall technical structure remains constructive. A sustained move above **346** could revive bullish momentum, while immediate support is placed at **339**.

- **Nickel** : Nickel has witnessed heightened volatility over the last four trading sessions, accompanied by increased volumes. Although prices recovered in the previous session, the **1,650** level continues to act as a significant resistance. Immediate support is placed at **1,560**, and a sustained breakout above resistance would be required to confirm a stronger recovery.

- **Electricity Futures**: Electricity Futures witnessed a strong follow-through session after the previous day's bullish breakout, indicating improving buying momentum. Immediate resistance is placed at **4,600**, while support has shifted higher to **4,400**. Sustained trading above current levels could extend the ongoing recovery in the near term.

- **Bulldex**: The **Bullion Index (Bulldex)** continues to trade within a narrow range of **33,200–34,600**. A decisive breakout on either side of this range is likely to trigger a sharp directional move. Until then, range-bound trading is expected to continue.

Forex Insight

Dollar Index News

- **The US Dollar Index (DXY)** traded modestly firmer overnight, hovering around **101.00–101.30 levels**. The greenback drew support from safe-haven flows amid escalating Middle East uncertainties and expectations of higher-for-longer (or potentially higher) US interest rates amid sticky inflation risks and shifting Fed hike probabilities. The DXY remains elevated near recent highs around 101.80 and continues to act as a notable headwind for dollar-denominated commodities.

Technical Overview

- **DOLLAR INDEX :-** Technically, the Dollar Index (DXY) has broken below its recent consolidation range of **100.50–101.50**, indicating weakening bullish momentum in the short term. The next major support is placed at **99.50**, while immediate resistance is seen near **101.30**. Sustained trading below the breakdown zone could extend the corrective decline, whereas a recovery above resistance may revive bullish sentiment.

Forex Insight

USDINR News

- **USDINR showed marginal firmness overnight and traded in the 95.10–95.60 zone (near recent levels around 95.20–95.45).** The rupee faced sustained pressure from the resilient dollar and elevated crude oil import costs triggered by the latest Hormuz flare-up and higher Brent prices (India imports ~85% of its oil), compounded by foreign outflows. The **Reserve Bank of India (RBI)** has remained highly proactive following its early June policy meeting (holding the repo rate steady at 5.25% with adjusted growth and inflation forecasts), with significant spot dollar sales through state-run banks, selective NDF market tightening, monitoring of large corporate dollar purchases, and supportive liquidity tools such as buy-sell swap auctions, FX hedging subsidies for FCNR(B) deposits, concessional swaps for ECBs, and tax incentives to attract foreign inflows. While the rupee has weakened notably year-to-date amid the prolonged oil supply shock and geopolitical risks, consistent RBI interventions have helped limit sharper declines, curb volatility, and support a partial 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 pair is expected to open cautiously, closely tracking DXY movements, global risk sentiment, and any fresh US-Iran/Hormuz headlines as Indian markets begin trading.

Technical Overview

- **USDINR :-** Technically, day trend may remain **BULLISH** 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

Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	145000	135000	0.65
SILVER	230000	200000	0.57
CRUDE OIL	7700	7600	0.97
NATURAL GAS	280	280	0.37
GOLD MINI	142000	140000	0.61
SILVER MINI	230000	200000	0.46

Highest Traded Commodity	GOLD

Lowest Traded Commodity	MENTHAOIL

Script	Price	Price Change	OI Change%	Buildup
GOLD	141850	-0.29 %	-3.21	Long Unwinding
SILVER	220620	-1.15 %	4.94	Short Buildup
CRUDE OIL	7613	0.38 %	-10.61	Short Unwinding
NATURAL GAS	282.7	1.29%	-4.69	Short Unwinding
COPPER	1311.75	-0.01 %	-0.93	Long Unwinding
ZINC	374.15	-0.70 %	-8.80	Long Unwinding
ALUMINIUM	341.50	-0.63 %	-0.27	Long Unwinding

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