

Commodity Overview

24-12-2024





Commodity Overview



GOLD1!+SILVER1!, 1D, MCX O165,199 H166,036 L164,570 C165,179 +367 (+0.22%) Vol14.46 K
Vol (50) 14.46 K



Technical levels:

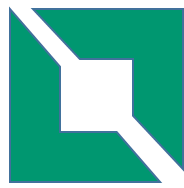
GOLD :Technically, the day trend may remain down in gold today. It has support at 75500 and resistance at 77000.

SILVER :Technically, selling pressure is expected in silver today. It has support at 85000 and resistance at 90000.

Gold & Silver overview:

Gold prices remained down on Monday, continuing to trend lower after suffering heavy losses last week on the back of the Federal Reserve's more hawkish stance. Markets now expect the first cut of 2025 to come in June, and are pricing in roughly two reductions in the upcoming year, according to CME FedWatch Tool. The Fed's hawkish shift provided renewed strength to the US dollar, as higher interest rates make the greenback more attractive due to increased returns on dollar-denominated assets.

Silver remained up slightly yesterday as US data released on Friday showed that PCE price index data—Fed's favored inflation gauge—rose 0.1% in November, a slower pace from October's 0.2% increase. This brought the annual PCE inflation rate to 2.4%, slightly below estimates of 2.5%. However, the annual increase in core inflation, excluding volatile food and energy, remained at 2.8%, well above the central bank's 2% target.



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Technical levels:

CRUDE OIL: Technically, a sideways price movement is expected in today's session. Crude oil has support at 5800 and resistance at 6000.

NATURAL GAS: Technically, a dark cloud cover pattern on daily chart may put selling pressure on natural gas prices. It has support at 300 and resistance at 335.

Crude oil & Natural gas overview:

Oil prices edged lower on Monday as concerns about global growth continued to weigh, even following positive cues from the US government avoiding a shutdown over the weekend as well as softer US inflation data. Data released earlier Monday showed that Britain's economy failed to grow during the third quarter of the year, raising concerns over future economic activity in the sixth largest economy in the world. Gross domestic product output to 0.0% in the July-to-September period from a previous estimate of 0.1% growth. Focus remained largely on demand going into 2025, particularly with China struggling to record significant growth.

Natural gas prices remained lower after giving gap-up opening yesterday. The prices are being supported by easing U.S. inflation and improved risk sentiment. However, the energy market faces contrasting pressures. While geopolitical tensions sustain price volatility, a forecasted supply surplus for 2025 tempers long-term price expectations.



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Base metals overview:

The US Fed's expected pace of interest rate cuts is more cautious than market expectations, driving up the US dollar and US Treasury yields. The US dollar index continued to hover near a two-year high, while major US stock indices closed higher on Monday. Analysts noted that the US dollar is unlikely to weaken until the market becomes more dovish than the Fed, which will exert some pressure on copper prices. Fundamentally, the spot market remained sluggish. Meanwhile, due to the approach of transactions involving cargoes with invoices dated next month and year-end capital recovery needs, the center of spot premiums continued to decline.

Technical levels:

COPPER: Copper opened higher but failed to sustain above the 800 level, closing the day with a decline. Support is now at 785, while resistance is at 820.

ZINC: Zinc, after trading sideways in the morning, experienced a significant decline, marking the sixth consecutive negative session. The next support level is at 275, while resistance is at 290.

ALUMINUM: Aluminum rebounded strongly from the 241 level, forming a bullish candle. The next resistance level is at 250, with support at 240.



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