

XFlow MARKETS

PULSE

COMMODITY-REPORT

18.05.2023



COFFEE

CMP – \$186.35

COFFEE is trading at \$186.28, 0.02% up since previous close. The Coffee prices showed a mixed momentum in the previous session; however, the commodity is expected on higher side on Thursday amid steady US Dollar Index. The tension over U.S debt-ceiling issue seems to be fading away after U.S President Biden said to sign out agreement to raise the ceiling limit this week. This can make Brazilian Real (BRL) currency & Coffee prices volatile since the Brazilian farmers may fetch lower profits while exporting the beans to U.S & vice-versa. Earlier, the risk of lesser supplies from Colombia due to the changing climatic conditions made the Coffee expensive; for Colombia is the world's second largest bean producer. Slight buying may be recommended for the day in Coffee.

Resistance – \$188.18-\$189.40

Pivot -\$185.88

Support – \$183.47-\$181.93

Expected Trend- Slight Bullish



SOYBEAN

CMP- \$1334.03

SOYBEAN is trading at \$1334.03, 0.06% down since previous day close. The downward momentum seems to be extended in Soybean on Thursday on account of rising supplies against the steady demand across the globe. The recent weekly USDA report showed a rise in exports & supplies for the week which turned out to be negative for prices. Globally, the mixed USD over U.S debt ceiling limit hike remains significant for beans & other agri-commodities. The change in weather conditions in Brazil may increase the plantation & harvesting of beans in future course of time which may lead to excess supply & hence, causes downfall in Soybean prices. Selling bias on higher levels may be suggested in the commodity.

Resistance – \$1358.44-\$1375.76

Pivot -\$1346.22

Support – \$1329.90-\$1316.28

Expected Trend- Bearish



NATURAL GAS

CMP- \$2.364

Natural Gas is trading at \$2.364, 0.06% up since previous day close. The range bound trading can be seen in Natural gas after rallying up to recent highs of \$2.400 levels last week. The news spurred in that the major Natural Gas producers are expected to lower down the drilling & output levels amid low pricing environment in the year 2023 which pushed up the prices. Last week, the U.S EIA report showed a rise in Natural gas storage levels of 78B higher than expectation 54B. This led slight selling pressure earlier. The changing weather conditions in European & US regions affects the consumption demand of heating fuel. As seen in the chart, the commodity is strongly reversed up from major support level of \$2.00 & hence, buying on each corrective dip may be seen for the day in Natural gas.

Resistance –\$2.419-\$2.483

Pivot –\$2.368

Support – \$2.304-\$2.253

Expected Trend- Bullish



COPPER

CMP- \$8294.3

COPPER traded at \$8294.3, 0.22% up since previous close. The losses in Copper turned into gains in the previous session as tension over U.S debt ceiling issue seems to be fading away after U.S President Biden said to reach out a deal raising the ceiling limit in this week. Earlier, the Copper slid down to six-month lows of \$8100 levels amid soft Chinese economic figures; since China is a major consumer of metals. On global front, the strong USD as US issued higher inflation rate which raises the chances of aggressive rate hike led selling bias in Copper. The U.S Jobless Claims data release will remain in focus for the day. As seen in the chart, the Copper slid down to previous lows which acts as a major support level & hence, a buying bias may be recommended if sustained.

Resistance – \$8381-\$8468

Pivot –\$8243

Support- \$8156-\$8018

Expected trend-Bullish

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