

XFlow MARKETS

PULSE

COMMODITY-REPORT

02.06.2023



COFFEE **CMP – \$183.28**

COFFEE is trading at \$183.28, 0.16% up since previous close. The losses in Coffee prices turned into gains on Friday against the softer USD after U.S Senate passed a debt ceiling bill; creating positive sentiments across the globe. Earlier, the few Fed officials hinted for a pause in interest rate hike for the June meeting which turned out to be positive for Brazilian Real (BRL) currency & Coffee prices since Brazilian farmers may fetch more profits while exporting the beans to U.S. Last month, the change in climatic conditions in Brazil turning favorable for Coffee production subdued the prices since Brazil is a major producer of beans. As seen in the chart, the Coffee successfully took a strong support of MA (100) which signals for buying momentum for the day.

Resistance – \$185.25-\$187.00 Pivot -\$182.73
Support – \$180.17-\$177.73 Expected Trend- Bullish



SOYBEAN **CMP- \$1311.03**

SOYBEAN is trading at \$1326.03, 0.04% up since previous day close. An upward momentum continued to be observed in Soybean prices since last two sessions as global commodities strengthened against the soft USD ahead of the result of U.S Non-farm Payroll data release due today. Earlier, the Fed officials hinted for a pause in interest rate process in the June Fed meeting which cushioned the agri-commodities. Earlier, the Soybean crossed down \$1300 mark amid changing weather conditions in Brazil which increases the plantation & harvesting of beans in future course of time which may lead to excess supply. Sideways trading may be recommended for the day in Soybean.

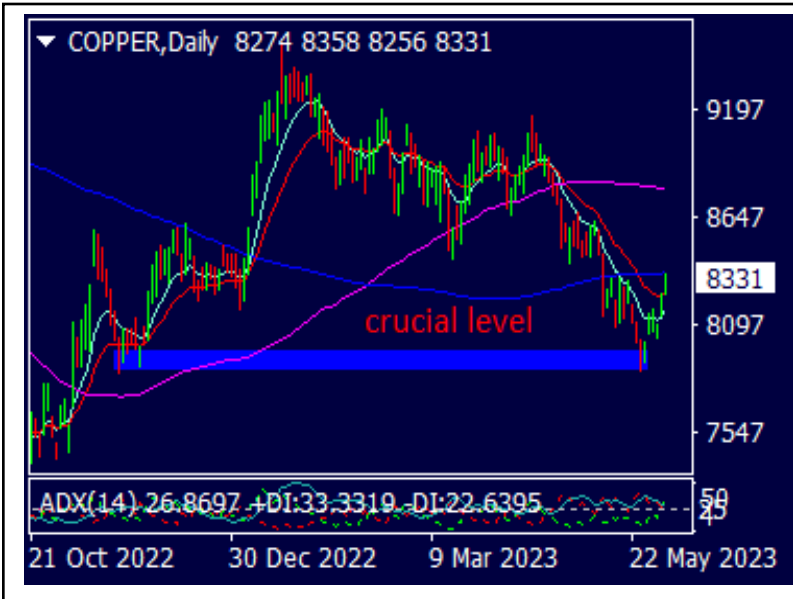
Resistance – \$1343.44-\$1355.76 Pivot -\$1322.22
Support – \$1310.90-\$1289.28 Expected Trend- Sideways



NATURAL GAS **CMP- \$2.172**

Natural Gas is trading at \$2.172, 0.02% down since previous day close. The selling pressure can be observed in Natural gas post release of U.S Energy Information Administration (EIA) report which showed a build-up of 110B against the expected rise of 106B in Natural Gas storage level. This indicates the higher storage level which dragged down the prices. Earlier, the commodity reversed upside from major support level of \$2.00 levels with heavy trading volume. The major Natural Gas producers are expected to lower down drilling & output levels amid low pricing environment in the year 2023 which remains positive for prices. As seen in the chart, the commodity is trading within the tight range of Moving Averages & hence, the cautious trading may be recommended for the day.

Resistance –\$2.246-\$2.332 Pivot -\$2.189s
Support – \$2.099-\$2.042 Expected Trend- Slight Bearish



COPPER

CMP- \$8331.3

COPPER traded at \$8331.3, 0.22% up since previous close. The Copper entered into buying zone after consolidating since last few sessions. The soft USD amid progressive closure of U.S debt ceiling deal & chances of a pause in interest rate hike in next Fed meeting led buying pressure in base metals since they are inversely correlated to USD. Also, the China posted better than expected Caixin Manufacturing PMI figure today which further boosts up Copper prices since China is a major consumer of base metals. Upcoming U.S NFP data release will remain vital for commodities. Buying bias may be established for the day in copper since the commodity reversed up after testing the support of previous lows & also, is on the verge of crossing MA (200).

Resistance – \$8268-\$8313

Pivot –\$8205

Support- \$8160-\$8097

Expected trend- Bullish

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