

**XFlow** MARKETS

# PULSE

COMMODITY-REPORT

05.06.2023



### COFFEE

**CMP – \$180.28**

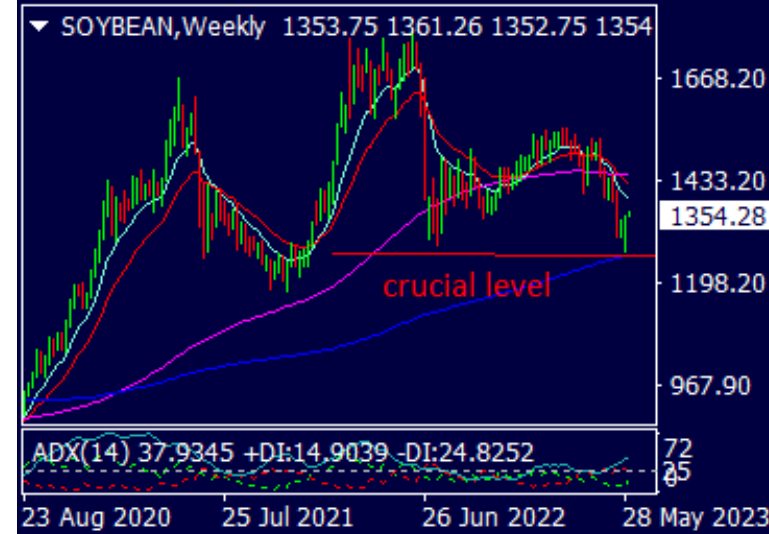
COFFEE is trading at \$180.28, 0.08% down since previous close. The Coffee slightly retraced down in the last week; however, it is expected to open on higher note on Monday amid mixed USD. The U.S President Joe Biden signed a debt ceiling bill; creating positive sentiments across the globe. Earlier, 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. The cautious trading may be recommended for the day in Coffee.

Resistance – \$185.25-\$191.00

Pivot -\$182.73

Support – \$177.17-\$173.73

Expected Trend- Bullish



### SOYBEAN

**CMP- \$1354.03**

SOYBEAN is trading at \$1354.03, 0.14% up since previous day close. The agri-commodities turned out to be positive since last two sessions amid positive global cues. The robust U.S Non-farm Payroll data & signing up of US debt ceiling bill led buying bias in commodities. However, uncertainty prevails over U.S FOMC meet although Fed officials hinted for a pause in interest rate process in the June Fed meeting. The frequent changes in weather conditions in Argentina affects the beans plantation & supplies which makes the commodity highly volatile. As seen in the chart, the Soybean sustained the major support of MA (100) which signals for buying bias on lower side on daily basis.

Resistance – \$1364.44-\$1376.76

Pivot -\$1343.22

Support – \$1331.90-\$1309.28

Expected Trend- Bullish



### NATURAL GAS

**CMP- \$2.218**

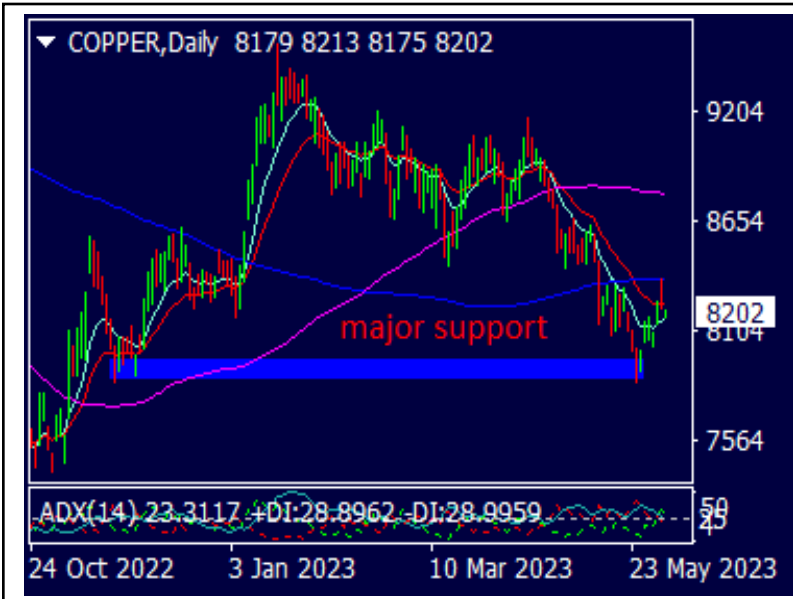
Natural Gas is trading at \$2.218, 0.02% up since previous day close. The range bound trading can be seen in Natural Gas prices since last two session amid mild changes in demand & supply ratio. The U.S Energy Information Administration (EIA) report showed a build-up of 110B against the expected rise 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. Wait & watch strategy may be built up for the day in Natural Gas.

Resistance – \$2.223-\$2.274

Pivot -\$2.178

Support – \$2.127-\$2.082

Expected Trend- Sideways



### COPPER

**CMP- \$8202.3**

COPPER traded at \$8202.3, 0.12% up since previous close. The sideways trading can be seen in copper after opening on lower note on Monday. Uncertainty looms over upcoming FOMC monetary decision amid upbeat U.S NFP figures released last week. This makes the base metals to trade on lower side. Earlier, the commodity tested two-month highs of \$8300 levels against the soft USD amid progressive closure of U.S debt ceiling deal & better than expected Caixin Manufacturing PMI figure since China is a major consumer of base metals. As seen in the chart, the Copper retraced down after testing MA (200) & also, the ADX line is sliding down till level 25. These indicates a wait & watch strategy to be adopted for the day in copper.

**Resistance – \$8332-\$8426**

**Pivot –\$8276**

**Support- \$8182-\$8126**

**Expected trend- Slight Bullish**

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