

**XFlow** MARKETS

# PULSE

COMMODITY-REPORT

21.06.2023



### COFFEE

**CMP – \$176.18**

COFFEE traded at \$176.18, 0.10% down since previous close. The selling pressure can be seen in Coffee prices on Tuesday amid mixed USD ahead of the Fed Powell testifying speech due today; showing more cues over future monetary policy approach. Last week, the commodity traded on positive side on account of US FOMC dovish stance of leaving interest rate unchanged at 5.00% to 5.25% range in its recent meeting & hinting for two rate hikes in this year. The change in climatic conditions in Brazil turning unfavorable for Coffee production & supplies led to the rally since Brazil is a major producer of beans. As seen in the chart, the Coffee is now trading below the lower trend-line of channel & hence, is sustained at lows, further downside may be seen.

Resistance – \$179.25-\$182.95 Pivot -\$177.40  
Support – \$174.56-\$171.19 Expected Trend- Slight Bearish



### SOYBEAN

**CMP- \$1483.03**

SOYBEAN is trading at \$1483.03, 0.16% up since previous day close. The gains in Soybean extended on Wednesday amid massive rise in consumption demand against the steady supplies. Globally, the mixed USD ahead of the U.S Fed Chair Powell testifying speech, modest Chinese PLR rate cut & an impending decision over stimulus package offering in China remained vital for commodities. The weekly USDA report showed a fall in exports & supplies & the frequent changes in weather conditions in Argentina affects the beans plantation & supplies which makes the commodity highly volatile. Buying bias may be seen further in Soybean since the commodity crossed over MA (100).

Resistance – \$1488.44-\$1503.76 Pivot -\$1473.22  
Support – \$1458.90-\$1444.28 Expected Trend- Bullish



### NATURAL GAS

**CMP- \$2.492**

Natural Gas is trading at \$2.492, 0.11% down since previous day close. The slight profit-booking can be seen in Natural Gas prices after rallying to recent high levels of \$2.700 earlier in this week. Majorly, the U.S EIA report showed a rise in Natural gas storage levels by 84B much lower than estimated rise of 97B which indicates lesser storage levels & supplies from U.S. This widely cushioned the prices. Last month, 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 & production levels amid low pricing environment in the year 2023 which remains positive for prices. Buying on corrective dips may be recommended for the day in Natural Gas.

Resistance –\$2.628-\$2.769 Pivot -\$2.553  
Support – \$2.412-\$2.339 Expected Trend- Bullish



### COPPER

**CMP- \$8556.3**

COPPER traded at \$8556.3, 0.11% up since previous close. The Copper moved on higher side on Tuesday amid mixed global cues & is expected to open sideways today as traders remain cautious ahead of Fed Powell's testifying speech. On Tuesday, the China's PBoC cut-down its Prime lending Rate (PLR) by 10bps lower than expected rate cut by 15bps which may affect the demand of Copper since China is a major consumer of base metals. However, the market is looking forward to the stimulus package offering in China. The decline in copper stocks level at London Metal Exchange (LME) remains positive for prices. As seen in the chart, the Copper crossed over MA (200) & hence, a strong breakout can be observed further. Buying on correction may be recommended for the day.

**Resistance – \$8593-\$8630**

**Pivot –\$8545**

**Support- \$8508-\$8460**

**Expected trend- Bullish**

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