

XFlow MARKETS

PULSE

COMMODITY-REPORT

22.06.2023



COFFEE

CMP – \$171.18

COFFEE traded at \$171.98, 0.21% down since previous close. The Coffee plunged down to \$171 levels on Wednesday amid strong USD & soft Brazilian Real (BRL) currency after Fed Powell testifying speech showed hawkish stance over chances on future rate hikes; however, the final conclusion is still impending. Last week, the commodity traded on positive side on an account of 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 crossed down the lower trend-line of channel pattern & the ADX line moved below level 25 which indicates indecisive trend. Slight selling bias may be recommended for the day in Coffee.

Resistance – \$175.30-\$78.65

Pivot -\$172.91

Support – \$169.55-\$167.16

Expected Trend- Slight Bearish



SOYBEAN

CMP- \$1511.03

SOYBEAN is trading at \$1511.03, 0.21% up since previous day close. The Soybean rallied on Thursday surpassing a crucial level of \$1500 amid rise in consumption demand against the steady supplies. On global front, the mixed USD post U.S Fed Chair Powell testifying speech showing a hawkish monetary approach in future course of time, however, traders waiting for final conclusion of the speech today failed to subdue the Soybean prices. 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 successfully crossed over MA (100).

Resistance – \$1528.44-\$1545.76

Pivot –\$1503.22

Support – \$1486.90-\$1461.28

Expected Trend- Bullish



NATURAL GAS

CMP- \$2.590

Natural Gas is trading at \$2.590, 0.23% up since previous day close. The Natural Gas prices recovered on Thursday ahead of the U.S Energy Information Administration (EIA) report with an expectation of storage level of 89B. Last week, the 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 –\$2.642-\$2.696

Pivot –\$2.543

Support – \$2.482-\$2.386

Expected Trend- Bullish



COPPER

CMP- \$8573.3

COPPER traded at \$8573.3, 0.08% up since previous close. An upward momentum can be seen in copper prices amid mixed USD post first session of U.S Fed Powell's speech held on Wednesday which hinted for hawkish stance over future monetary policy. However, the traders are looking forward to the final outcome of speech today. Earlier in this week, 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. 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 in Copper.

Resistance – \$8632-\$8690

Pivot –\$8550

Support- \$8491-\$8409

Expected trend- Bullish

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