

XFlow MARKETS

PULSE

COMMODITY-REPORT

13.07.2023



COFFEE **CMP – \$157.232**

COFFEE traded at \$157.32, 0.22% down since previous close. The downward momentum can be seen in Coffee prices since last two sessions amid mild changes in demand & supply ratio. However, the commodity is expected to open on higher side on Thursday on account of soft USD & strong Brazilian Real (BRL) currency as U.S CPI rose by just by 0.2% lower than 0.3% as expected; for Brazilian farmers may fetch higher profits while exporting beans to U.S. The rising U.S-China tensions & the change in climatic conditions in Brazil remains vital for prices since Brazil is a top producer of beans. As seen in the daily chart, the commodity reversed down from Fibon level 23.6 & hence, the cautious trading may be recommended for the day.

Resistance – \$158.70-\$160.16 Pivot -\$157.70
Support – \$156.65-\$154.21 Expected Trend- Slight Bearish



SOYBEAN **CMP- \$1341.03**

SOYBEAN traded at \$1341.03, 0.04% up since previous day close. The flat to higher side trading can be seen in Soybean on Thursday amid global cues. The soft USD after U.S issued soft CPI rate change which indicates the progress in curtailing the inflationary pressure; turned out to be supportive for beans. Last week, the USDA report showed a drop-down in beans weekly sales & exports level which signals for lesser supplies & hence, made the commodity expensive. The changing climatic conditions in Argentina turned favorable for beans production & supplies. As seen in the chart, the Soybean is trading near MA (20) & MA (10) which acts as a crucial level & hence, slight buying bias may be established for the day.

Resistance – \$1361.44-\$1395.76 Pivot -\$1343.22
Support – \$1309.90-\$1291.28 Expected Trend- Bullish



NATURAL GAS **CMP- \$2.642**

Natural Gas is trading at \$2.642, 0.09% down since previous day close. The slight profit-booking can be seen in Natural gas after testing the weekly highs earlier in this week. The U.S is to issue its Energy Information Administration (EIA) report with an expectation of a rise in Natural gas storage by 49B. Last week, the report showed a build-up in Natural gas inventory levels by 72B higher than expectation 65B which signaled for more supplies & hence, prices subdued to some extent. In the month of June, the commodity tested \$2.900 levels amid rise in consumption demand of heating fuels from U.S & European regions. As seen in the chart, the Natural Gas is trading near short-term MA (10) & MA (20) & hence, sideways trading may be recommended for the day.

Resistance –\$2.714-\$2.794 Pivot -\$2.663
Support – \$2.583-\$2.532 Expected Trend- Sideways



COPPER

CMP- \$8511.3

COPPER traded at \$8511.3, 0.14% up since previous close. An upside can be seen in copper prices as China is planning to infuse stimulus package to Beijing in order to boost up the economic conditions & hence, this may increase the demand of Copper since China is a major consumer of base metals. On global front, the U.S issued softer inflation rate with a rise of 0.2% lower than expectation 0.3% which indicates controlled inflationary pressure. This weakened the USD & cushioned the base metals since they share indirect correlation. Last week, escalating tension between U.S & China as the latter imposes curbs on exports of chipmaking materials to U.S plunged down the Copper prices established further. Buying on lower levels may be recommended for the day in copper.

Resistance – \$8563-\$8631

Pivot –\$8444

Support- \$8376-\$8257

Expected trend- Bullish

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