

**XFlow** MARKETS

# PULSE

COMMODITY-REPORT

27.07.2023



### COFFEE

**CMP – \$163.72**

COFFEE traded at \$163.72, 0.21% up since previous close. The Coffee is expected to open on higher side on Thursday amid soft USD after Fed hiked an interest rate by 25bps as expected & hinted for one more rate hike later in this year. This turned out to be positive for Brazilian Real (BRL) currency & Coffee prices since Brazilian farmers may fetch higher profits while exporting the beans to U.S. Last week, the rise in supplies from Brazil on an account of favourable climatic conditions pushed down the Coffee prices; for Brazil is a top producer of beans. As seen in the chart, buying on lower levels may be suggested for the day in Coffee since the commodity reversed up from cluster support & is on the verge of crossing over MA (10) & MA (20).

**Resistance – \$165.15-\$166.74**

**Pivot -\$162.12**

**Support – \$160.47-\$157.47**

**Expected Trend- Bullish**



### SOYBEAN

**CMP- \$1426.03**

SOYBEAN traded at \$1426.03, 0.06% up since previous day close. An upward momentum can be seen in Soybean prices on account of consistent rise in consumption demand across the globe which made the commodity expensive. The soft USD after Fed followed an expected move of 25bps interest rate hike & stated the lesser possibility of recession hitting the U.S economy; made the global as well agri-commodities to trade on positive note. The changing climatic conditions in Argentina remains vital for Soybean prices; for Argentina is a major producer of beans. Buying on dips may be suggested for the day & the commodity is expected to test MA (100) if upside sustains further.

**Resistance – \$1429.44-\$1432.76**

**Pivot -\$1424.22**

**Support – \$1420.90-\$1415.28**

**Expected Trend- Bullish**



### NATURAL GAS

**CMP- \$2.677**

Natural Gas is trading at \$2.677, 0.11% up since previous day close. The mixed trading can be seen in Natural Gas prices ahead of the release of U.S Energy Information Administration report with an expectation of a rise in Natural gas inventory levels by 12B much lower than previous reading. Last week, the report showed a build-up in Natural Gas inventory levels by 41B lower than previous week's figure of 49B. This indicates shortage in storage & supplies levels & hence, prices moved up. The change in weather conditions in U.S & European regions; turning colder than normal increases the consumption demand of heating fuels like Natural gas. Buying on lower side may be recommended for the day in Natural Gas since the commodity is still trading above the MA (10) & MA (20)

**Resistance –\$2.739-\$2.803**

**Pivot -\$2.691**

**Support – \$2.627-\$2.579**

**Expected Trend- Slight Bullish**



## COPPER

**CMP- \$8619.3**

COPPER traded at \$8619.3, 0.09% up since previous close. The Copper opens on a higher note on Thursday amid soft USD on account of Fed's expected move of 25bps rate hike stance. The Fed Chair stated that U.S economy may not face the recession in near future which may support the Copper; for this may retain the consumption demand of industrial metals. Optimism looms over ongoing Chinese stimulus talks in order to support economic growth which may turn out to be supportive for copper prices; since China is a major consumer of metals. The declining Copper stocks level at (LME) made the commodity expensive. As seen in the chart, the Copper is expected to take a support of MA (10) & hence, buying on lower side may be recommended for the day.

**Resistance – \$8628-\$8664**

**Pivot –\$8589**

**Support- \$8553-\$8514**

**Expected trend- Bullish**

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