

XFlow MARKETS

PULSE

COMMODITY-REPORT

03.08.2023



COFFEE

CMP – \$166.72

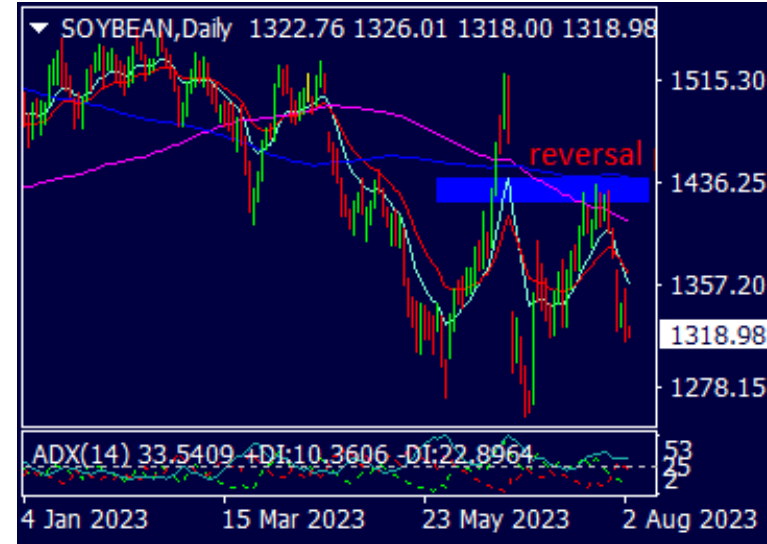
COFFEE traded at \$166.72, 0.32% up since previous close. A strong upside can be seen in Coffee prices despite mixed USD ahead of the U. S NFP data release event due later in this week. The rise in demand against the supplies from major parts of the world led the buying pressure in Coffee prices. Also, the change in climatic conditions in Brazil affecting the Coffee production & supply levels made the commodity expensive. Earlier, the steady US Dollar after Fitch downgrades U.S economy from AAA to AA+ remained vital for Coffee prices since this may affect the profits earned by Brazilian farmers while exporting the beans to U.S. As seen in the chart, the commodity surpasses the Fibo level 23.6 which indicates a buying momentum on an intraday basis.

Resistance – \$168.80-\$170.74

Pivot -\$165.82

Support – \$163.47-\$160.47

Expected Trend- Bullish



SOYBEAN

CMP- \$1339.03

SOYBEAN traded at \$1318.03, 0.16% down since previous day close. The downward momentum resumed in Soybean amid consistent change in weather conditions in Argentina which turned favourable for Soybean production & hence, increases the supplies; for Argentina is a major producer of beans. The mixed USD ahead of U.S Non-farm Payroll data & U.S credit rating cut by Fitch led come sort of selling pressure in beans. The weekly USDA report showed a rise in weekly exports which further weigh down the Soybean prices. Selling on rallies may be recommended for the day in Soybean since the commodity successfully crossed down the short-term Moving Averages.

Resistance – \$1343.44-\$1367.76

Pivot -\$1329.22

Support – \$1304.90-\$1290.28

Expected Trend- Bearish



NATURAL GAS

CMP- \$2.476

Natural Gas is trading at \$2.476, 0.11% down since previous day close. The Natural gas prices witnessed a selling pressure ahead of the result of U.S Energy Information Administration (EIA) report which is to be released today with an expectation of a rise in Natural gas inventory levels by 18B. Last week, report showed a build-up in Natural Gas inventory levels by 16B as against the expectation 12B. This indicates shortage in storage & supplies levels & hence, prices moved up earlier. The change in weather conditions in U.S & European regions; turning normal than colder climate decreases the demand of heating fuels like Natural gas. Upcoming U.S NFP data release event remains significant for the prices. The make-or-break situation can be seen in the commodity on short term basis.

Resistance –\$2.550-\$2.626

Pivot –\$2.501

Support – \$2.425-\$2.376

Expected Trend- Slight Bearish



COPPER

CMP- \$8501.3

COPPER traded at \$8501.3, 0.29% down since previous close. The losses seem to be extending in copper prices on Thursday against the strong USD as U.S issued better than expected ADP Employment Change figure while the focus will be on Friday's U.S NFP data. Besides this, the Fitch downgraded U.S credit rating from AAA to AA+ which may affect the country's manufacturing & industrial activities & hence, may reduce the demand of metals. Earlier, the prices surged up amid rise in demand from China; as optimism looms over ongoing Chinese stimulus talks in order to support economic growth. As seen in the chart, the copper slid down to MA (200) which acts as major support level. Wait & watch strategy may be adopted further.

Resistance – \$8577-\$8653

Pivot –\$8529

Support- \$8453-\$8405

Expected trend- Neutral

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