

XFlow MARKETS

PULSE

COMMODITY-REPORT

10.08.2023



COFFEE

CMP – \$160.27

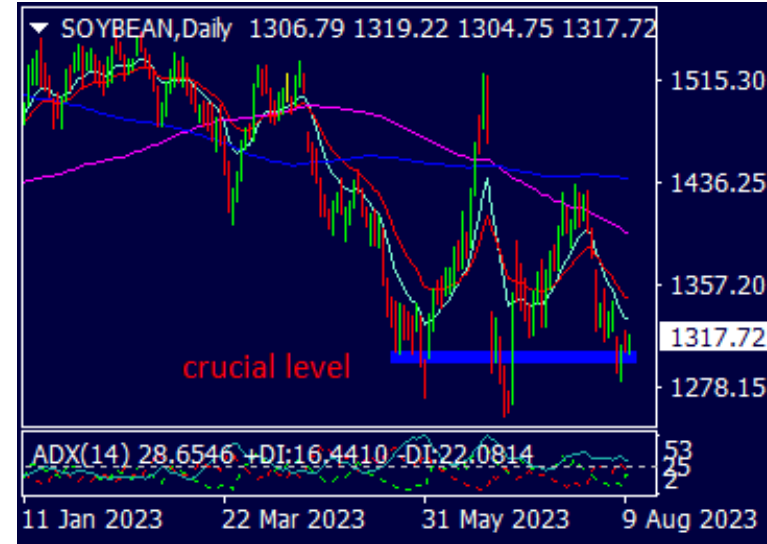
COFFEE traded at \$160.22, 0.16% down since previous close. The Coffee prices seems to be trading weaker ahead of the result of U.S CPI data which is to be out today. This may determine the momentum in US Dollar, Brazilian Real (BRL) currency & Coffee prices since this may affect the profit fetched by Brazilian farmers while exporting the beans to U.S. The change in climatic conditions in Brazil affecting the Coffee production & supply levels made the commodity expensive. Last week, the commodity tested one-month highs of \$168 levels amid rise in demand against the supplies from major parts of the world. As seen in the chart, the Coffee is trading below the short-term MA (10) & MA (20) & hence, slight selling bias may be recommended for the day.

Resistance – \$161.50-\$163.10

Pivot -\$160.75

Support – \$159.54-\$158.86

Expected Trend- Bearish



SOYBEAN

CMP- \$1317.03

SOYBEAN traded at \$1317.03, 0.02% up since previous day close. The tight range can be observed in Soybean prices on Thursday against the steady USD ahead of the U.S CPI data release event which is due today. The change in weather conditions in Argentina which turned unfavorable for Soybean production decreases the supplies; for Argentina is a major producer of beans. This slightly cushioned the prices. Earlier, the prices traded at lower levels after weekly USDA report showed a rise in weekly exports. As seen in the chart, the commodity seems to be forming cluster support which acts as a make-or-break point. The cautious trading may be suggested for the day in Soybean.

Resistance – \$1318.44-\$1328.76

Pivot –\$1312.22

Support – \$1302.90-\$1296.28

Expected Trend-Sideways



NATURAL GAS

CMP- \$2.952

Natural Gas is trading at \$2.952, 0.29% up since previous day close. A strong breakout can be seen in Natural gas prices ahead of the release of U.S Energy Information Administration (EIA) report which is expected to show a rise in Natural gas inventory levels by 24B. Last week, the report showed a rise in Natural gas inventory levels by 14B lower than expectation 18B. This indicates shortage in storage & supplies levels & hence, prices moved up. The strong rise in demand against the supplies on account of frequent change in weather conditions in U.S & European regions; which increases the consumption demand of heating fuels like Natural gas. As seen in the chart, the Natural Gas succeeds to breach the MA (200) & hence, buying on correction may be recommended further.

Resistance –\$3.059 -\$3.161

Pivot –\$2.912

Support – \$2.810-\$2.663

Expected Trend- Bullish



COPPER

CMP- \$8428.3

COPPER traded at \$8428.3, 0.01% up since previous close. The sideways trading can be seen in copper prices after U.S bans the technology investments in China which escalated the U.S & China trade tension. The mixed result of Chinese inflation figures may boost up the demand of industrial metals; for China is a top consumer of base metals. Also, the traders remain cautious ahead of the release of U.S inflation data due to be out today. Last week, 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. As seen in the chart, the copper seems to be sustaining the lower trendline of channel pattern & hence, slight buying bias may be recommended for the day.

Resistance – \$8452-\$8513

Pivot –\$8415

Support- \$8354-\$8317

Expected trend- Sideways

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