

**XFlow** MARKETS

# PULSE

COMMODITY-REPORT

11.08.2023



### COFFEE

**CMP – \$159.77**

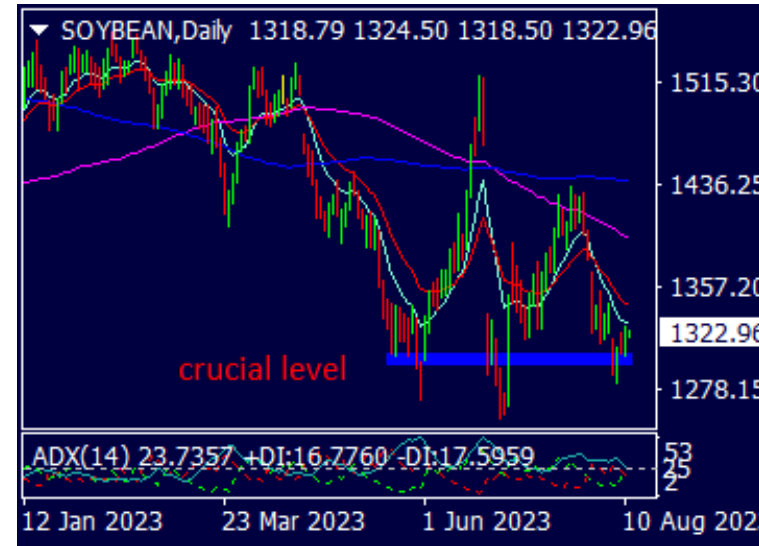
COFFEE traded at \$159.72, 0.12% down since previous close. The downward momentum continued to be seen in Coffee prices amid stronger USD as U.S showed mild progress in controlling the inflationary pressure This weakens the Brazilian Real (BRL) currency since this may affect the profit fetched by Brazilian 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 on an account of 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 – \$162.10-\$164.90**

**Pivot -\$160.64**

**Support – \$157.85-\$156.34**

**Expected Trend- Bearish**



### SOYBEAN

**CMP- \$1322.03**

SOYBEAN traded at \$1322.03, 0.02% up since previous day close. Some sort of buying momentum can be seen in Soybean amid mixed global cues. However, the strong USD after U.S issued less progressive inflation rate changes may lead to sell-off in commodities in later half of the session. The change in weather conditions in Argentina which turned unfavorable for Soybean production decreases the supplies; for Argentina is a major producer of beans. 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 – \$1328.44-\$1339.76**

**Pivot -\$1316.22**

**Support – \$1305.90-\$1293.28**

**Expected Trend-Sideways**



### NATURAL GAS

**CMP- \$2.782**

Natural Gas is trading at \$2.782, 0.09% down since previous day close. The recent U.S Energy Information Administration (EIA) report showed a built-up in Natural gas inventory level by 29B higher than previous figure of 14B which indicates a rise in supplies & storage & hence, dragged down the prices. Besides this, 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. The strong USD amid global cues led a selling pressure in energy commodities. As seen in the chart, the profit-booking can be seen in Natural Gas after crossing over long-term MA (200) & hence, buying on correction may be suggested further.

**Resistance –\$2.932 -\$3.089**

**Pivot –\$2.836**

**Support – \$2.670-\$2.583**

**Expected Trend- Bullish**



### COPPER

**CMP- \$8296.3**

COPPER traded at \$8296.3, 0.11% down since previous close. The Copper slid down against the strong USD after U.S issued a change in CPI rate which signaled for a mild progress in controlling the inflationary pressure. Earlier in a week, the U.S banned technology investments in China which escalated the U.S & China trade tension & hence, weakened the prices. The mixed result of Chinese inflation figures may boost up the demand of industrial metals; for China is a top consumer of base metals. 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. Slight selling bias may be recommended for the day in copper.

**Resistance – \$8440-\$8530**

**Pivot –\$8393**

**Support- \$8303-\$8256**

**Expected trend- Bearish**

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