



COMMODITY COMPASS

14 MARCH 2019

INDIAN COMMODITIES

Commodity	Expiry	S1	S2	Pivot	R1	R2	Trend
Gold	APR	31923	32065	32192	32334	32461	Up
Silver	MAY	38556	38652	38801	38897	39046	Up
Aluminum	MAR	143.2	145.2	146.8	148.8	150.4	Up
Copper	APR	447.4	450.1	452.9	455.6	458.5	Indecisive
Nickel	MAR	888.1	901.5	909.6	923.0	931.1	Indecisive
Lead	MAR	143.4	145.3	147.0	149.0	150.7	Up
Zinc	MAR	196.6	198.2	199.4	201.0	202.3	Up
Crude Oil	MAR	3942	3989	4022	4069	4102	Up
Natural Gas	MAR	190.6	193.3	195.5	198.2	200.4	Indecisive

Bullion—Gold



Gold futures for April delivery gained in yesterday's trade and settled up by \$11.25 at \$1,309.35 per ounce on the Comex as the Britain's EU divorce has given strength to yellow metal. The metal got a boost first on the back of weakness in the dollar as currency traders dumped the greenback on initial signs that Britain's exit plan had a chance of succeeding. As the news flow changed direction and ended with the no vote gold continued to see support on safe-haven bets against the U.K. currency. Gold was also supported by some soft February economic data from the U.S under-

lining the case for the Federal Reserve to maintain its current wait-and-see stance. Markets remain skeptical that the Fed could hike rates this year, particularly after the employment report suggested weak job creation in February. Formation of second straight bull candle in Mx April futures suggest strength at these levels but prices closed just below the trend line resistance as shown in the chart suggest a caution. Hence we advise traders to wait for further confirmation to initiate any fresh positions.



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BASE METALS — COPPER



Nymex Copper closed up marginally yesterday after witnessing see saw kind of trade for most part of the day to settle at \$2.931 extending the marginal gains of the week. The lack of detail on negotiations between Chinese trade officials and the Trump administration also triggered worries there may not be proper closure to tensions between the world's two largest economies. Trump has withheld raising further tariffs planned on Chinese goods from March 1 while asking Beijing to lift duties on U.S. agricultural products a request that has not yet been approved. On the other side China said it was targeting a gross domestic product growth of 6% to 6.5% in 2019, down from the 6.6% reported last year. Beijing has also cut taxes to stimulate growth among manufacturers and increase infrastructure investment. With mixed news on the trade talks and formation of small candle in Mcx April futures with a close between the two trend lines as shown in the chart suggest indecisiveness. Hence we advise traders to wait for fresh positions.

ENERGY — CRUDE



U.S. crude futures hit 2019 highs on Wednesday after weekly data showed crude inventories in the United States fast depleting from relentless cuts in Saudi exports, as well as tighter availability all round in oil provided by other members of OPEC. U.S. WTI crude settled up \$1.39, at \$58.26 per barrel, after hitting \$58.48 earlier, its highest level for the year. Wednesday's rally came as the U.S. Energy Information Administration reported that crude oil inventories fell by 3.86 million barrels in the week to March 8 versus forecasts for a stockpile build of 2.66 million. In the previous week, inventories surged by 7.07 million barrels. Stockpiles of gasoline, the main product processed out of crude, also saw a surprising plunge as refineries drew down stockpiles on hand, given the squeeze on imports. Inventories of distillates, which include diesel, however, showed an unexpected rise. Formation of another small candle in Mcx Crude March futures with a close between two trend lines as shown in the chart suggest indecisiveness but since WTI crude at 2019 highs we expect prices to gain and advise traders to stay long in Mcx March futures at 4020 levels with stops below 3960 targeting 4100 levels.



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ECONOMIC CALENDAR (ALL TIMES IN IST)

EVENT	COUNTRY	TIME	FORECAST	PREVIOUS
Jobless Claims	US	18:00 IST		
Jobless Claims (New Claims - Level)	US	18:00 IST	225	223
Jobless Claims (4-week Moving Average - Level)	US	18:00 IST		226.25
Jobless Claims (New Claims - Change)	US	18:00 IST		-3
Import and Export Prices (Import Prices - M/M change)	US	18:00 IST	0.4	-0.5
Import and Export Prices (Export Prices - M/M change)	US	18:00 IST	0.2	-0.6
Import and Export Prices (Export Prices - Y/Y change)	US	18:00 IST		-0.2
Import and Export Prices (Import Prices - Y/Y change)	US	18:00 IST		-1.7
New Home Sales	US	19:30 IST		
New Home Sales (New Home Sales - Level - SAAR)	US	19:30 IST	612	621
EIA Natural Gas Report	US	20:00 IST		
EIA Natural Gas Report (Weekly Change)	US	20:00 IST		-149

PICK OF THE DAY

COMMODITY	EXCHANGE	EXPIRY	STRATEGY	ENTRY	TARGET	STOP LOSS
CRUDEOIL	MCX	MAR	BUY	4020	4100	3960



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