



COMMODITY COMPASS

29 MARCH 2019

INDIAN COMMODITIES

Commodity	Expiry	S1	S2	Pivot	R1	R2	Trend
Gold	APR	31278	31443	31740	31905	32202	Down
Silver	MAY	36754	37036	37560	37842	38366	Down
Aluminum	MAR	147.6	148.4	149.1	149.9	150.6	Indecisive
Copper	APR	435.1	438.3	440.9	444.0	446.6	Indecisive
Nickel	MAR	874.7	880.3	888.1	893.7	901.5	Indecisive
Lead	MAR	137.4	138.0	138.7	139.3	140.0	Indecisive
Zinc	MAR	201.6	202.3	203.3	204.0	205.0	Indecisive
Crude Oil	APR	4026	4068	4094	4136	4162	Indecisive
Natural Gas	APR	187.4	188.5	190.1	191.2	192.8	Indecisive

Bullion—Gold



Gold prices slid again and lost its \$1,300 perch as bears continued where they let off in the previous session on Thursday to wreak more damage, pummeling prices across the sector. Gold hit two-week lows, losing out to a dollar that proved a better hedge against Brexit and the U.S.-China trade war. Gold futures for June delivery, traded on the Comex settled sharply down \$21.60 at \$1,295.30 per ounce. The dollar index, which measures the greenback against a basket of six currencies, was up 0.5% at 96.81, accelerating gold's breakdown below the technically-important \$1,300 handle and sparking technical selling as well. On the other side the Fed kept interest rates on hold earlier this month and indicated that there would be no further rate hikes this year after indicating in December that two could take place. Formation of strong bear candle which has closed below horizontal trend line as shown in the chart suggest prices could slide further and we advise traders to stay short in Mcx April Gold futures at 31800 levels with stops above 32050 targeting 31200 levels.



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BASE METALS — COPPER



Copper prices continued to trade in a narrow range after witnessing sharp slide in the last week after testing one month highs despite China's announcement to cut tax for manufacturers from April to boost growth. Earlier in the month sentiment was largely constructive as investors continued to view China's latest policy moves as positive for metals demand. China will cut value-added tax for manufacturing and other sectors on April 1 adding that cuts in taxes and fees remained a key measure to cope with downward pressure on its economy. On the other side US-China trade negotiations hit a rough patch and with Chinese pushback could further delays to a full agreement. Trade Representative Lighthizer and Treasury Secretary Mnuchin will meet this week hoping to get negotiations back on track. Formation of fourth bull candle after a strong bear candle in Mcx April futures suggest profit booking to the earlier trend and since prices tested R-S channel we expect prices can slide from these levels however we advise traders to wait for further confirmation to initiate any fresh positions.

ENERGY — CRUDE



New York-traded WTI crude finished down for a second-straight day as, Trump has started tweeting again on oil but the drop was just 11 cents, bringing it to a close of \$59.30. Politically re-energized following the submission of the Mueller report, President Donald Trump sent out on Thursday his second tweet of the year on oil, calling on OPEC to raise production and bring down prices of the commodity. The market initially sunk as much as 1% as the president reignited his battle with OPEC but by the close, crude had recovered most of those losses, settling just slightly lower. Trump's tweets were among the factors that contributed to last year's 25% crash in oil prices. WTI is up nearly 31% this year. In Thursday's tweet, he said: "Very important that OPEC increase the flow of Oil. World Markets are fragile, price of Oil getting too high. Thank you!". Formation of small bear candle with a tail on the downside in Mcx Crude April futures suggest indecisiveness and we advise traders to wait for further confirmation to initiate any fresh positions.



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ECONOMIC CALENDAR (ALL TIMES IN IST)

EVENT	COUNTRY	TIME	FORECAST	PREVIOUS
Personal Income and Outlays (Personal Income - M/M change)	US	18:00 IST	0.3	-0.1
Personal Income and Outlays (Consumer Spending - M/M change)	US	18:00 IST	0.3	
Personal Income and Outlays (Core PCE price index - M/M change)	US	18:00 IST	0.2	
Personal Income and Outlays (Core PCE price index - Yr/Yr change)	US	18:00 IST	1.9	
Personal Income and Outlays (PCE Price Index M/M change)	US	18:00 IST		
Personal Income and Outlays (PCE Price Index Y/Y change)	US	18:00 IST	1.4	
Chicago PMI (Business Barometer Index - Level)	US	19:15 IST	60.3	64.7
New Home Sales (New Home Sales - Level - SAAR)	US	19:30 IST	615	607
Consumer Sentiment (Sentiment Index - Level)	US	19:30 IST	97.8	97.8
Baker-Hughes Rig Count (N. Amer. Rig Count)	US	22:30 IST		1121
Baker-Hughes Rig Count (U.S.)	US	22:30 IST		1016
Baker-Hughes Rig Count (Gulf of Mexico)	US	22:30 IST		20
Baker-Hughes Rig Count (Canada)	US	22:30 IST		105
Baker-Hughes Rig Count	US	22:30 IST		

PICK OF THE DAY

COMMODITY	EXCHANGE	EXPIRY	STRATEGY	ENTRY	TARGET	STOP LOSS
GOLD	MCX	APR	SELL	31800	31200	32050



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