

XFlow MARKETS

PULSE

COMMODITY-REPORT

24.05.2023



COFFEE

CMP – \$187.28

COFFEE is trading at \$187.28, 0.02% down since previous close. The losses continued to be seen in Coffee prices since last two sessions amid strong USD on account of ongoing U.S debt ceiling negotiations amongst top U.S officials. This may affect the Brazilian Real (BRL) currency vis-à-vis Coffee prices. Uncertain U.S Fed monetary decision in its upcoming meeting remains vital for Coffee prices. Last week, the risk of lesser supplies from Colombia due to changing climatic conditions made the Coffee expensive; for Colombia is the world's second largest bean producer. As seen in the chart, the Coffee retraced down till MA (200) & is still trading within the bullish channel pattern. Wait & watch strategy may be built up for the day in Coffee.

Resistance – \$190.05-\$192.90

Pivot -\$187.36

Support – \$185.87-\$183.76

Expected Trend- Sideways



SOYBEAN

CMP- \$1322.03

SOYBEAN is trading at \$1322.03, 0.06% down since previous day close. The flat to lower side trading can be seen in Soybean prices amid mild changes in demand & supply ratio. Earlier in a week, the USDA report showed a rise in exports & supplies for the week which turned out to be negative for prices. The change in weather conditions in Brazil may increase the plantation & harvesting of beans in future course of time which may lead to excess supply & hence, causes downfall in Soybean prices. The stronger USD turned out to be negative for Brazilian Real (BRL) currency vis-à-vis Soybean. Selling on higher levels may be suggested in the commodity on an intraday basis.

Resistance – \$1336.44-\$1351.76

Pivot -\$1325.22

Support – \$1310.90-\$1300.28

Expected Trend- Neutral



NATURAL GAS

CMP- \$2.503

Natural Gas is trading at \$2.503, 0.32% up since previous day close. The bullishness resumed in Natural Gas prices after correcting down to some extent earlier in this week amid rise in consumption demand. The recent U.S Energy Information Administration (EIA) report showed a build-up in Natural Gas inventory level by 99B lower than estimated rise of 109B; signaling for lower storage levels. Earlier, the news spurred in that the major Natural Gas producers are expected to lower down drilling & output levels amid low pricing environment in the year 2023 which pushed up the prices. Buying on each & every corrective dip may be recommended for the day since the commodity is expected to take a support of MA (100) & short-term Moving Averages.

Resistance – \$2.568-\$2.640

Pivot –\$2.439

Support – \$2.367-\$2.238

Expected Trend- Bullish



COPPER

CMP- \$7980.3

COPPER traded at \$7980.3, 0.23% down since previous close. The Copper tumbled down in the previous session as the situation between U.S & China worsened after China banned the usage of chips in its manufacturing process from U.S Micron Company. This widely affected the Copper prices since China is a major consumer of base metals. Also, the strong USD as talks between U.S President Biden & House Speaker McCarthy remained unresolved & ended up with no deal turned out to be negative for commodities. Uncertain FOMC monetary decision in the next meeting will remain vital for copper. As seen in the chart, the Copper almost crossed down the previous lows which acts as a major support level & hence, selling bias may be expected for the day.

Resistance – \$8113-\$8154

Pivot –\$8062

Support- \$8021-\$7970

Expected trend-Bearish

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