

Weekly Mcx Newsletter

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HIGHLIGHT INVESTMENT RESEARCH
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Commodity Overview

[Gold futures](#) for December delivery on the Comex division of the New York Mercantile Exchange fell by \$8.80, or 0.73%, to \$1,199.40 troy ounce.

Metal Prices Fall on Fresh U.S.-China Trade-War Fears
[Copper prices](#) fell 1.83% to \$2.63.

[Nickel futures](#) fell 1.49% to 12,412.50.

[zinc prices](#) lost 1.87% to 2,309.75.

[aluminum prices](#) fell 0.76% to 2,036.75.

[Silver futures](#) fell on 0.80% to \$14.13 a troy ounce.

Gold prices, meanwhile, were also pressured by rising [U.S. bond yields](#).

Crude oil markets rally during the week, but continue to struggle at the recent resistance, showing that the market simply does not have the necessary momentum yet. Eventually though, we could break out but it doesn't look like longer-term traders have much to do in the short term.



Precious Metals

Comex gold futures for December delivery decreased 0.51% to \$1,202.00 a troy ounce as of 11:21 AM ET (15:21 GMT).

Disappointing data on Thursday and Friday increased concern that the Federal Reserve could ease its stance on monetary policy. U.S. retail sales barely registered any gains in August, while consumer prices rose less than expected. Still, investors are expecting the Fed to raise rates at its policy meeting next week while chances of an increase in December were at 84.2%.

Higher rates are a negative for gold as the precious metal, which does not pay interest, struggles to compete with yield-bearing assets when rates rise.

The U.S. dollar index, which measures the greenback's strength against a basket of six major currencies, rose 0.28% to 94.79.

Gold usually falls as the dollar rises, as it is denominated in the U.S. currency and is sensitive to moves in the dollar. Bullion becomes more expensive for holders of other currencies when the dollar rises and cheaper when it falls.

Gold prices **settled lower on Friday** as monthly increases in U.S. industrial production and consumer sentiment provided a boost to the dollar. December gold **GCZ8**, **-0.82%** lost \$7.10, or 0.6%, to settle at \$1,201.10 an ounce. The session's decline cut the metal's gain down to just 70 cents from the week ago finish.

Support and Resistance

Column1	Column2
GOLD	SILVER
RESISTANCE2:30770	RESISTANCE2:37580
RESISTANCE1:30650	RESISTANCE1:37260
SUPPORT1: 30360	SUPPORT1: 36900
SUPPORT2: 30070	SUPPORT2: 36640

Our Recommendations

SCRIPT	POSITION	LEVEL	TARGET1	TARGET2	TARGET3	STOPLOSS
GOLD	SELL	30400	30200	30000	29800	30760
SIVLER	SELL	37980	37760	37520	37260	37310



Copper prices fell on Friday as reports suggesting President Donald Trump was ready to impose tariffs on China raised concerns about demand for metals.

Copper prices fell 1.83% to \$2.63.

Trump instructed aides on Thursday to proceed with tariffs on about \$200 billion more in Chinese products, but the announcement has been delayed as the administration considers revisions based on concerns raised in public comments, Bloomberg reported, citing sources.

The prospect of further trade penalties on China, the world's largest metals consumer, stoked fears that Beijing could rein in spending as its monthslong trade fight with Washington has exacerbated vulnerabilities in the Chinese economy.

China's fixed-asset investment growth hit a record low, slowing to 5.3% in the first eight months of the year, below economists' forecasts, government data showed on Friday.

Metals were also held back by an uptick in the greenback on renewed trade concerns and rising optimism about U.S. economic strength following upward revisions to July's retail sales data.

The U.S. dollar index, which measures the greenback against a trade-weighted basket of six major currencies, rose

Support and Resistance

Column1	Column2
ZINC	COPPER
RESISTANCE2: 173.30	RESISTANCE2:434.60
RESISTANCE1: 170.60	RESISTANCE1:430.40
SUPPORT1: 165.80	SUPPORT1: 422.50
SUPPORT2: 161.20	SUPPORT2: 414.60

Our Recommendations

SCRIPT	POSITION	LEVEL	TARGET1	TARGET2	TARGET3	STOPLOS
ZINC	SELL	169.50	166.80	164.70	162.20	173.70
COPPER	SELL	428	422	416	410	436



Energy

The WTI Crude Oil market rallied significantly during the week, reaching towards the \$71.50 level, but pulled back yet again. In fact, it's been a bit surprising how tough that area has been, and I think what we are looking at is a scenario where we will continue to see a lot of selling pressure in that area. I think that given enough time the market will probably continue to be very difficult to manage from a longer-term perspective, as we are tightening in range. However we are in an ascending triangle, so I still have an upward bias but clearing the \$71.50 level is of course crucial.

The natural gas markets initially tried to rally during the week but turned around to form an ugly shooting star shaped candle in the middle of the range. You can see that the range is marked at the \$2.70 level underneath, and the \$3.00 level above. A market move down towards the \$2.70 level will be very interesting to me, because it has offered so much in the way of support as of late. While the candle stick for the week is very ugly, the reality is that the support and the resistance that has been guiding this market has been around forever.

Support and Resistance

Column1
CRUDE OIL
RESISTANCE2: 5150
RESISTANCE1: 5030
SUPPORT1: 4880
SUPPORT2: 4710

Our Recommendations

SCRIPT	POSITION	LEVEL	TARGET1	TARGET2	TARGET3	STOPLOSS
CRUDE	BUY	4960	5020	5080	5140	4870



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