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Prime Brokerage

Commodity Morning Update.

YOUR DAILY MARKET BRIEFING



Gold Insight



Gold News

- Gold prices traded close to a six-week high on Monday, supported by a softer U.S. dollar and growing expectations that the Federal Reserve could cut interest rates at its policy meeting later this month. The U.S. dollar index slipped briefly to a two-week low, making dollar-denominated gold cheaper for overseas investors and boosting international demand. In addition to currency support, risk-off sentiment across broader financial markets further enhanced gold's appeal as a safe-haven asset. With traders increasingly positioning for a shift toward monetary easing and uncertainty lingering across global markets, gold continues to maintain a firm underlying bullish bias in the near term.

Technical Overview

- **GOLD :** Technically, Gold prices are gained yesterday and given a break-out from a flag pattern on the daily chart. The prices have formed a rounding bottom price pattern on the daily chart signaling bullish trend The MACD is positive and the RSI is at 67 indicating an uptrend for today's session. Gold has support at 127000 and resistance at 134000.

Silver Insight



Silver News

- Silver prices also remained well supported, tracking the strength in gold as expectations of an imminent Federal Reserve rate cut and a weaker dollar lifted the broader precious metals complex. The dip in the dollar index improved affordability for foreign buyers, while heightened market uncertainty reinforced investment-led demand. Unlike gold, silver continues to draw added strength from its industrial usage, especially in electronics and renewable energy sectors. This dual support from both safe-haven flows and industrial demand keeps silver positioned for further upside, particularly if macroeconomic uncertainty persists and manufacturing activity stabilizes.

Technical Overview

- **SILVER:** Technically, silver prices are gained yesterday and traded at all-time highs. The prices have given a break-out from a cup and handle price pattern on the daily chart. The RSI is at 79 levels and MACD is positive signaling a bullish trend for today's session. Silver has support at 162,000 and resistance at 180,000.

Crude Oil Insight



Crude oil News

- Crude oil markets turned their focus to supply discipline after OPEC and its allies (OPEC+) reaffirmed their decision to pause production increases through the first quarter of next year. The group will continue with voluntary supply cuts totaling around 3.24 million barrels per day, a move aimed at stabilizing prices amid uncertainty over global demand growth. This announcement provided a firm supply-side floor for crude prices, helping offset concerns around slowing economic activity in key consuming regions. With geopolitical risks still present and OPEC+ maintaining tight control over output, crude prices are likely to remain supported in the near term.

Technical Overview

- **CRUDE OIL**: Technically, Crude oil prices have breached the downwards channels yesterday but momentum are remained weak. The trend is down and prices are trading below important moving averages. While, MACD is oscillating sideways and RSI is at 52 level indicating a sideways trend for today's session. Crude oil has resistance at 5400 and support at 5200.

Natural Gas Insight



Natural gas News

- Natural gas prices gained support as updated demand forecasts pointed to an intense cold wave sweeping across the Northeast and Great Lakes region between December 3 and December 7. Temperatures are expected to remain below normal even beyond this period, significantly boosting residential and commercial heating demand. This shift toward sustained colder weather has strengthened near-term consumption expectations, helping offset pressure from elevated production levels. As winter weather becomes the dominant driver, natural gas markets are likely to remain highly weather-sensitive, with any extension of cold conditions potentially triggering sharper upside moves.

Technical Overview

- **NATURAL GAS** : Technically, natural gas prices are remained up yesterday, and it has given a break-out from a short-term consolidation phase on the weekly chart. However, the MACD is oscillating sideways and the RSI is at 69 indicating an uptrend for today's session. Natural gas has resistance at 450 and support at 416.

Base Metal Insight



Base Metal News

- The US November ISM Manufacturing PMI came in at 48.2, below expectations and marking the ninth consecutive month below the 50 mark, indicating continued contraction in the manufacturing sector. The US dollar index closed lower, supporting copper prices. On the fundamentals side, supply side, overall supply remained tight, with limited arrivals of imported copper and domestic supplies. Demand side, the sharp rise in copper prices significantly dampened downstream purchasing sentiment. Inventory side, as of Monday, December 1, SMM copper inventories in mainstream regions across China decreased 14,500 mt WoW to 159,000 mt.

Technical Overview

- **Copper:** December futures copper prices are gained yesterday and breached the previous trading range of several weeks. The prices have been given a break-out from a triangle price pattern with an increase in the volume on the daily chart. Copper prices are sustaining above 50, 100 and 200-day SMA, while momentum indicators are positive signaling an uptrend for today's session. Copper has resistance at 1065 and support at 1035.

- **Zinc:** December futures zinc prices are gained after forming a Hammer candle on the weekly chart. Zinc prices are trading in an uptrend and are sustaining above the upper trend line of an upwards price channel. The MACD is oscillating sideways and RSI is at 61 indicating an uptrend for today's session. Zinc has support at 300 and resistance at 311.

- **Aluminium:** December futures aluminum prices are gained after forming a Hammer candle followed a bullish candle on the weekly chart. The prices have formed a rounding bottom price pattern and rebounded from 50-day SMA with moderate volume. While, the MACD has given a positive crossover and the RSI is at 64 indicating an uptrend for today's session. Aluminium has support at 273 and resistance at 278.

Forex Insight



Dollar Index News

- The U.S. dollar weakened against the Japanese yen after the Bank of Japan signaled a possible December rate hike, while broader upside remained capped as markets increasingly priced in aggressive Fed easing expectations, with an 85% probability of a 25 bps December rate cut. Despite periodic resilience, the dollar's momentum softened as policy uncertainty persisted, and the shifting balance between a potentially hawkish BOJ and a dovish-leaning Federal Reserve kept the dollar index under moderate pressure in global currency markets.

Technical Overview

- **DOLLAR INDEX :-** Technically, DXY after making doji candle dxy wont sustain near the previous swing high and resistance of 100.4 $ and witness selling pressure the support is placed at 99.4 $

Forex Insight



USDINR News

- The Indian rupee slipped to a fresh record low on Monday, pressured by sustained foreign portfolio outflows, strong dollar demand from importer banks, a widening merchandise trade deficit, and lingering uncertainty over the U.S.–India trade deal. The Dec 29 futures settled at 89.67 despite intraday volatility, while weak industrial output growth, softer manufacturing PMI, and moderation in GST revenues added to near-term concerns. However, the downside was cushioned by expectations of RBI intervention near the 90 mark, resilience in equities at record highs, strong Q2 GDP data, and an improving current account position, keeping the broader outlook cautiously balanced.

Technical Overview

- **USDINR :-** Technically, day trend may remain BULLISH in USDINR after approaching an important support zone of 88.80 level the next support level is placed at 8 level and resistance at 90 if that breaks then the next resistance will at 90.60

Derivative Insight

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Script	Highest traded Strike Price (CE)	Highest traded Strike Price (PE)	PCR
GOLD	136000	120000	1.47
SILVER	185000	160000	1.86
CRUDE OIL	5300	5300	0.92
NATURAL GAS	430	430	1.01
GOLD MINI	130000	128000	0.93
SILVER MINI	185000	170000	1.50

Highest Traded Commodity	GOLD	Lowest Traded Commodity	MENTHAOIL

Script	Price	Price Change	OI Change%	Buildup
GOLD	127315	0.34 %	-19.07	Short unwinding
SILVER	182030	6.06 %	501.64	Long Buildup
CRUDE OIL	5324	0.00 %	1.51	Long Buildup
NATURAL GAS	433.5	1.83 %	0.96	Long Buildup
COPPER	1050.25	1.34 %	0.46	Long Buildup
ZINC	308.45	1.75 %	6.01	Long Buildup
ALUMINIUM	275.75	0.99 %	2.43	Long Buildup

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