



PARADIGM COMMODITIES ADVISORS
Metals & Energy Report-27 February 2023

Solid jump in PCE sparks Dollar bounce- Heavy sell off in all risk on assets

US economy solid bullish he- next 6 month may 75-100 bps rate hike aayega

INR ko close watch karna hoga...agar 83.30 cross hota he to stocks and rupee me sell off aayega.

Please Read this before you trade: We strongly recommend traders to use some discretion on entry and exit points based on product volatility and multiplier. For the gold, flexibility in entry or exit could be Rs 20-50 due to hyper volatile trading. Use your own discretion based on assets. Target 1 is conservative objective where low risk trader should book full profit; high risk trader should book part profit. Target 2 is best case profit objective and full profit may be taken. For 2nd tight- use yr. own exit comfort because all traders have their own risk preference, trading habits. Avoidance of impulsive and compulsive trading is good habit. These levels and strategies are designed as per prevailing scenario. Any new data set or event or headline could increase/decrease or nullify its effectiveness.

Bullion

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss Closing sl	Tech Range	Tec. Trend
Gold Apr mini	Sold	53500	Open	Open	NA	54800- 56400	Bearish

Outlook: Downfall continued in gold and silver. Friday PCE data, an important inflation gauge for Fed overshoot to the upside. During last 1-month, key US economic data such as non-farm pay roll, consumer and PPI inflation, Retail sales, rent inflation, PCE- all these numbers are very bullish. We expect approximately 100 bps hike by Aug. Next March hike could be 25 or may be 50 bps. We may see final rate peak between 6-6.25. Dollar index posted stunning bounce. Yen, Euro and major non-dollar assets fell. USDINR also tanked to 83 and later on closed around 82.93. London Spot gold fell to 1809. MCX Gold fell to 55380. New range for Apr gold is 55050-55930.

Strategy: Sold @ 53500. Hold. We will keep trading in between, jab tak market 57700 ke niche he tab tak trend kamjor he. Picchle 3 saal me 3 baar 1st bottom 44400, 2nd bottom 48200, 3rd bottom 49700 ka bana he, 4th bottom kahi 50500-52200 ke bich banna chahiye- rupiya agar 80 ke niche jaye to bottom 50500 aur rupiya 83 ke upar rahe to bottom 52200. Foreign me to range fix he 1660-1960 bar bar aati rahi he aur aati rahegi. Fill hal to short side rahenge.

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mini silver Apr	Sell	64400	Open	Open	Given later	62200- 65800	Bearish

Outlook: MCX Silver is down almost 8000 from 1st Feb peak. London spot silver has breached key support of 20.88, now new trading range is 19.73-21.89. Broader range is seen at 18.66-22.48. Domestic range is 62200-66500. Big range is 17.70-24.44 valid for 3-4 month.

Strategy: Hedgers ka market. Buy side is not advisable. High trade may go short above 64400.

Base Metals

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Copper	Sell	758-760	Open	Open	Given later	737-767	Hyper volatile

Outlook: Copper prices tumbled after solid US PCE inflation data. China economic recovery is too slow and uneven. Sharp fall in EU power prices and gas prices may boost supply in 2H 2022. Several battery metals are in free fall. Lithium carbonate, Cobalt, Nickle, Zinc, Tin, copper. Almost all key battery metals or Energy Transition metals are in free fall. EV, Energy transition story looks like one more bubble. LME copper has breached very important support at 8770. New trading range is 8440-9130. Broad trading range is 8330-9220. Technical trend is bearish. MCX copper prices witnessed sharp fall and fell as low as 749.

Strategy: Copper prices are seen weak again. Market may bottom out between Apr-Jun.

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Alu	No call	NA	NA	NA	NA	200-215	Bearish

Outlook: Aluminum is well supplied market. Europe power prices in free fall and many closed smelters are now on restart. China turned net exporter to world. US announced 200% duty on Russian Alu but it has not affected on prices so far. Let's see how new sanctions plays out.

Strategy: Stay sidelined. Geopolitics related to Alu is unpredictable as of now.

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Zinc	Bought	265	267.50-268	271	Given after 5 PM	262-274	Random-casino

Outlook: LME base metals in free fall, led by copper. However, Zinc is relatively better in the long run. For a temporary trade, we may see a bounce, if China announces any QE support.

Strategy: Buy entry active @ 265.

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Lead	Buy	182	184.50	185	179.70	180-185	Dull

Outlook: Lead is rangebound mkt.

Strategy: Lead may behave as contra metal. Buck the downtrend.

Bullion Index

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Buldex	Sell	15160	14990	14880	15280	14800-15200	Weak

Outlook: Buldex chart looks mild bearish.

Strategy: Sell on rally.

Energy Markets

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar crude	No call	NA	NA	NA	NA	Big Range	Bottom out

Outlook: Crude oil peaked at 135 usd in Last Jun. India MCX peak at 9700. Now prices are moving between 70-80 zone. India price move in 6200-6800 range. Strong Dollar, weak China, chances of peace deal in Ukraine war... so many negative factors. Only 1 mega positive factor is Increased possibility of US Taiwan conflict. This is serious risk.

Strategy: Headline driven mkt. We are now not bearish and waiting for buy side trades. If market surpass 80 level, we may see 90-110 area after June. MCX short term range is 5800-6400, medium range is 6200-6700 and higher range is 6500-7300. 4th possible range is 6880-7880.

Commodity	Strategy	Entry	Target 1	Target 2	Stop loss	Tech Range	Tec. Trend
MCX Mar Gas	No call	NA	NA	NA	NA	No range	Avoid

Outlook: Gas market posted smart rebound. Major fundamentals are still bearish. EU Spot gas prices are down from 300 Eur to 50 Euro. Spot LNG is down from 65 to 25 USD, NE Asia. Gas looks like a well-supplied market.

Strategy: No call.

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