



## PARADIGM COMMODITIES ADVISORS

Metal and Energy outlook: 5<sup>th</sup> April 2024

### Bullion and Metals show mild profit taking: Market awaits job data

We strongly recommend traders to use some discretion on entry and exit points based on commodity volatility and multiplier. Outlook, entry and exit points valid for 1-2 days unless specifically mentioned as positional/ Directional. SL is closing basis Levels are indicative. Time frame for Positional outlook is 1-2 week, Directional outlook time frame is longer than 2 months.

#### Bullion Outlook & Trading and Risk mgmt. ideas

**MCX Jun Mini Gold:** COMEX gold surged to all time high around 2304 before correcting towards 2278. China markets are closed for tomb sweeping holidays. Last week it was easter holidays. Last 2 week run up is driven by short covering originated from thin trading conditions. Spot gold looks overbought in daily, weekly, monthly and quarterly chart as well. Near term supports are 2248, 2218, 2184. Resistance are 2310-2346-2364. Major support area is 2090, 2048. Major resistance area is 2346-2420. Market awaits today's Job data. We would release our trading ideas and chart levels after COMEX Open.

**MCX April mini-Silver:** Silver reacted lower due to profit taking. Prices surged to 79951 and fell to 78800, now traded around 79200. Short term trend is mild positive. All markets look overheated due to back-to-back 2 long weekend in UK and China. We are still holding short bias. As of now we are sidelined. Once market stabilized below 77400- We may go short with wider SL @ 80800 and downside objective around 76200-75300-73800. SL and profit taking both should be variable suitable to risk profile. Current trading range is 75500-80400. London Spot silver range is 25.30-27.78.

#### MCX Metals

**MCX Apr Copper:** MCX Copper surged to 804 before showing mild profit taking. China market is closed hence some short covering might have lifted COMEX copper. LME cash-3 M contango mildly reduce to 80 usd from 100 usd. MCX Copper range is seen at 782-812. LME 3 M range is 8980-9530. COMEX May copper range is 4.04-4.37. SHFE is closed due to long holidays. Major and long-term trend is still bearish. Once short covering move is over, retail trade turned crowded long trade, we may see copper to revisit its old range of 700-725. Copper is a circular commodity. During last 48 months, copper repeatedly testing 700-720-730 on lower side and 770-780-810 on higher side. 750-760 is central rate.

**MCX April Mini Zinc-** MCX Zinc market witnessed sharp run up, a catch-up rally. Yesterday we have indicated that Zinc looks like a dark horse. Preferred strategy is accumulation between 213-227. Expected tgt somewhere between 248-260. Stoploss mgmt. is variable. Accumulation in 3 step and SL in 2 step- Respective SL is 214- 208 in equal amount. Average lot size 10 mini for retail trade Maximum lot size is 40 minis for HNI traders.

**MCX April Mini Aluminum:** Alu market is seen in slower recovery mode amid broader rebound. Current move seems a weak rebound. For a chancy trade, we may buy around 217-218, Keep SL @ 211. Tgt around 225-227. Suggested volume 10-20 mini lots.

#### MCX oil

**MCX April Crude-** Crude oil market seen buoyant amid major war tension in Red sea. Israel is now attacking Syria and Lebanon. Its now triparty war- Israel vs Hamas, Hezbollah, and Houthis. Israel has alleged that Qatar is not a reliable mediate in Gaza peace talks. Israel said Qatar is funding terror worldwide, according to a report by Bloomberg. Such statements are alarming. Black sea escalation is worrisome. Russian energy infra routinely attacked and now almost 12% of crude oil production disrupted. Expected range for MCX crude oil is 6700-7300. Volatility may increase in coming days.

**MCX April Mini Gas-** Gas is a long-term bear market. Prices down from 800 to 150. As of now market is on mild recovery mode. No view.

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