



## PARADIGM COMMODITIES ADVISORS

Metals & Energy -2nd July 2024

### A recovery bounce likely in Zinc: oil seen tight amid supply crunch

Please Read this before you trade: Agri outlook given here is positional in nature and valid for 3-5 working sessions. A directional view means validity of trade is 4-8 week. All levels are just indicative. Entry and exit are valid for 2-4 working days. Readers are advised to use marginal discretion while take a call based on prevailing market conditions.

#### Bullion

MCX Aug mini-Gld	Gold is stable and traded in tight range of 2300-2350. Just 2% movement. MCX Aug mini gold range is 71400-72800. INR range is 83.40-83.60. Stable markets. Near term support is seen at 71000-70700, Resi around 72200-72400. Short term call for jobbing purpose. Buy around 71000. Tgt 72300-72600. SL is closing basis 70200.
MCX mini-Aug Silver	MCX Silver is stuck in range of 86600-92200. Trend is mild soft. Only for short term jobbing- contra call- risky call with tight SL- Buy @ 89720- mkt buy. SL 88700. Tgt 90300-90500. Short term bounce likely due to China stimulus rumors, but demand side fundamental is still weak.

#### Base Metals

MCX Jul copper	Copper seems stabilizing as a correction-consolidation. Short term recovery bounce range is 832-871. High risk contra call is – Buy copper in 2 step- 50% copper @ 843- 50% copper @ 833. 1 <sup>st</sup> SL is 828. 2 <sup>nd</sup> SL is 823. Light quantity. Overall range is 832-871. Big range is 797-913.
MCX Jul Zinc mini	Zinc market looks like a dark horse. High risk trader may accumulate zinc on dips. China property-real estate-stock- warehousing mkt is weak. More stimulus expected. If global banks are going for rate cuts- we may see demand recovery in Zinc. Zinc is also a battery metal, a defense metal ( war commodity) and it is also traded 40% lower from its peak of 395. Broad range for 2-3 month is 230-280. 1 year range is 200-350. Long Zinc and Short Alu on scale up cum scale down basis may be useful. Tentative top for zinc is 280-300 and tentative bottom for Alu is 200-210. Current Zin/Alu spread is around 35. It may expand towards 50-70 in long run. Dynamic SL mgmt. and margin mgmt. is needed.
MCX Jul Alu Mini	Aluminum market is well supplied and fundamentals are too weak due to oversupply in Asia-Russia-China. Sell July alu around 233-234, tgt open, SL will be given later. Long term tgt is 222-225.

#### Oil & Gas

MCX Jul oil/mini oil	Crude oil market is seen tight amid demand recovery and some demand disruption in Black Sea, Red Sea, OPEC supply cut.
MCX Jul Gas/mini-Gas	Gas Market is showing increased volatility and tightness in spreads. Bought @ 230. Sl 222 triggered. No fresh calls.

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