



# Weekly Commodity Insights

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# The Week That Was

- Gold surged past the \$2,700 mark for the first time, reaching a historic high of \$2,722. Prices gained 2.4% last week, bolstered by strong global demand for safe-haven assets and anticipation of further rate cuts from major central banks. The European Central Bank lowered interest rates for the third time this year, cutting the deposit rate to 3.25%, which was widely expected. The metal also found additional support amid escalating tensions in the Middle East. Following the Israeli military's confirmation of the death of key Hamas leader Yahya Sinwar, concerns over potential regional escalation intensified, further driving demand for gold. In addition, bullion benefited from a shift in investor sentiment away from riskier assets, largely due to China's underwhelming fiscal response to its property market crisis and uncertainties tied to the U.S. presidential election.
- Silver followed gold's lead, rising over 6% last week and marking its largest daily gain of 6.5% last Friday—the highest since May 17, 2024. The metal hit a 12-year high, closing above \$33 for the first time since November 2012, signaling renewed investor optimism. The same geopolitical and economic concerns driving gold's rise have also fueled increased demand for silver. Additionally, strong economic data from China boosted the demand outlook for the metal, given China's position as the world's largest consumer of metals.
- Meanwhile, Nymex crude oil broke its two-week winning streak, plunging more than 8% in its biggest weekly drop since October 2023. The decline was driven by downward revisions in demand forecasts from OPEC and the IEA, compounded by slowing economic growth in China and indications of easing geopolitical tensions in the Middle East. Another bearish factor for crude was the increased output from Libya, as the resolution of a political standoff allowed the country to ramp up production and exports.
- Copper prices on the COMEX extended their downward trend, falling over 2% for the third straight week. Sentiment in the industrial metals market was dampened by China's lackluster stimulus measures to support its struggling property sector. While the nation announced expanded financing for housing projects and increased bank lending to the sector, the scale of the support was seen as insufficient. Furthermore, a rally in the U.S. dollar dampened sentiment on metals.

# Summary View For The Week

Metric	MCX Gold	MCX Silver	MCX Crude	MCX Copper
Weekly Candle Pattern (+/-2)	None	None	None	None
Candle Takeaway	None	None	None	None
Candle Strength (+1/-1)	None	None	None	None
Daily Momentum (+/-1)	Positive	Positive	Negative	Negative
Weekly Momentum (+/-1)	Positive	Positive	Positive	Positive
Seasonality Trend For The Week (+/-1)	Positive	Positive	Neutral	Neutral
Money Managers' Positioning (+/-1)	Positive	Positive	Negative	Negative
Options Skew (Now v/s 1w ago) (+/-2)	Negative	Positive	Negative	Positive
ATM Volatility Behavior (+/-1)	Positive	Negative	Positive	Positive
Correlation with USDX (v/s 1w ago)	Less negative	Less negative	More positive	Less negative
Range for Upcoming Week	76,400 – 80,500	93,500 - 103,000	5,440– 6,180	793 - 853
Trendscore and Regime	<b>3 (Mild Bullish)</b>	<b>5 (Bullish)</b>	<b>-2 (Mild Bearish)</b>	<b>2 (Mild Bullish)</b>

Trendscore: 1 to 3 (Mild Bullish), 4 to 6 (Bullish), 7 to 9 (Strong Bullish), -1 to -3 (Mild Bearish), -4 to -6 (Bearish), -7 to -9 (Strong Bearish), 0 = Neutral  
 Candle strength is based on the close of the week – if the close is near the highs, then +1 (high in green) and if the close is near the lows, then -1 (high in red)

# Understanding The Insights



**Range for the Week:** Derives the most likely trading range for the week for US front-month futures based on option volatilities



**Weekly % Change:** Bars represent weekly percentage change showing price volatility over a 26-week period



**Daily/Weekly Candles:** Offers context from daily candles (3 months) and weekly candles (12 months)



**Daily/Weekly Momentum:** Shows the current state of price momentum using the slow stochastic oscillator



**Seasonal Analysis:** Bars show the performance during the current week based on decade-long data for Comex/Nymex



**Money Managers' Positioning:** Long and short futures positioning of money managers (based on \*COT data)



**Options Skew:** Shows how the demand for OTM calls and OTM puts today (white) has changed from one week prior (red)



**Open Interest Insights:** Top 5 calls and puts ranked by OI change both for actively traded contracts on Comex/Nymex

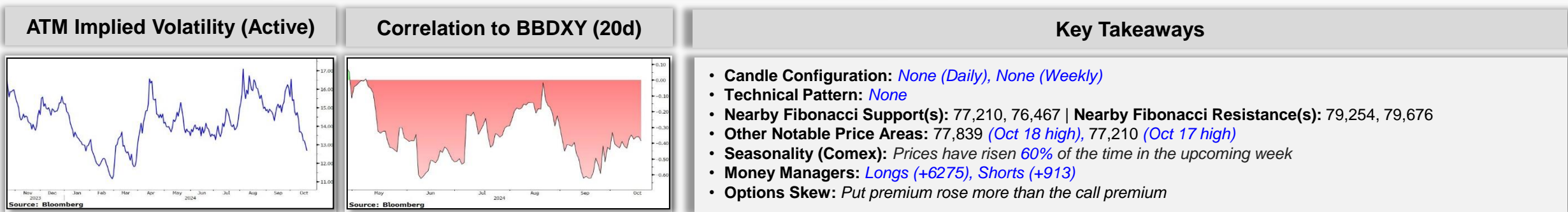
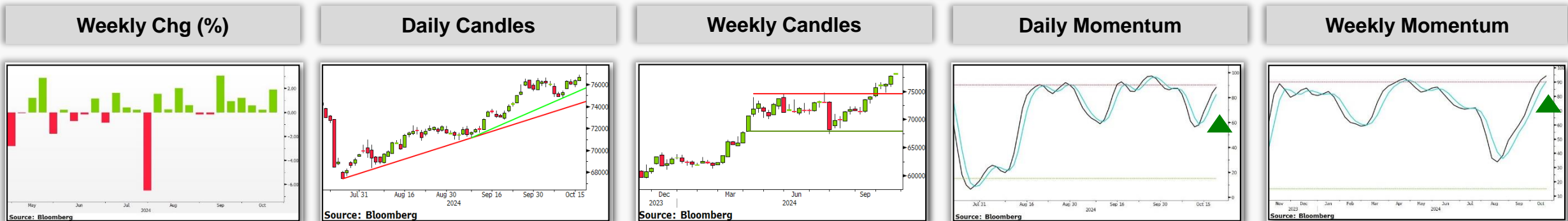


**Implied Volatility:** Shows the 12-month trend for one-week At-the-Money (ATM) implied volatility



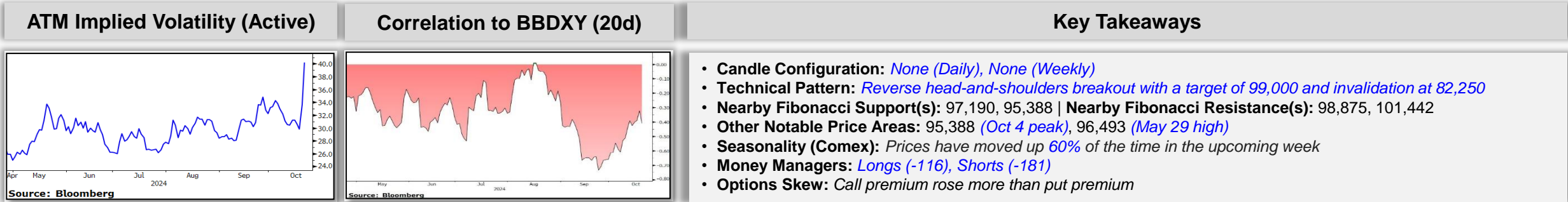
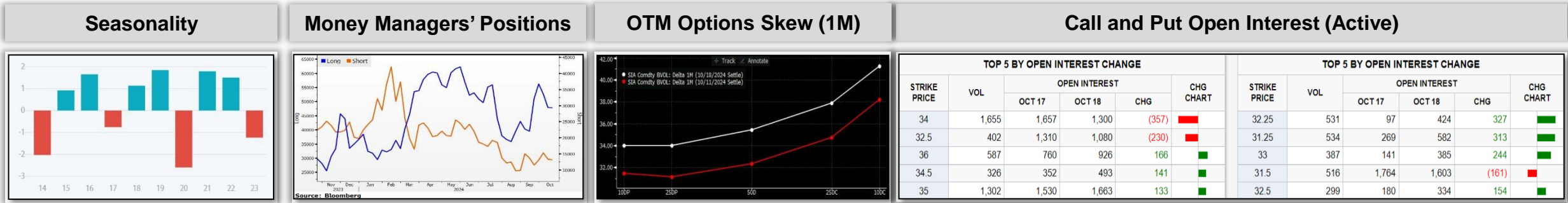
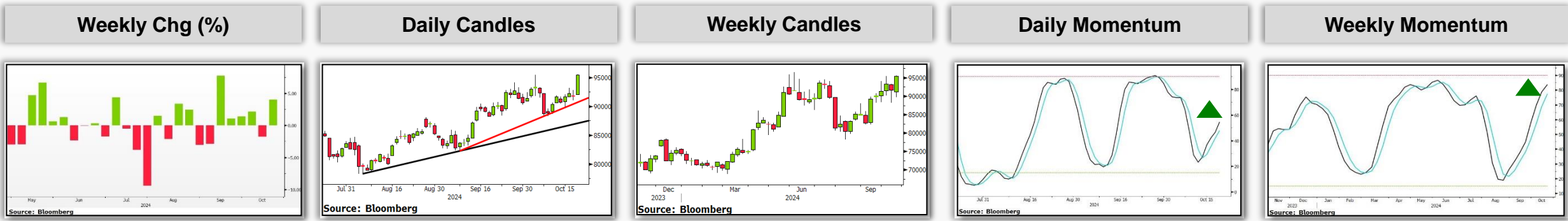
**Correlation:** Captures the 20-day rolling correlation of each commodity to the Bloomberg Spot Dollar Index

<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>		<b>Range for the Week (\$)</b>		<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
77,749	1.9	75,766 - 77,839		2,662 – 2,800		▲	▲	▲



Green color in the Previous Week's Range shows which of the high or the low came first

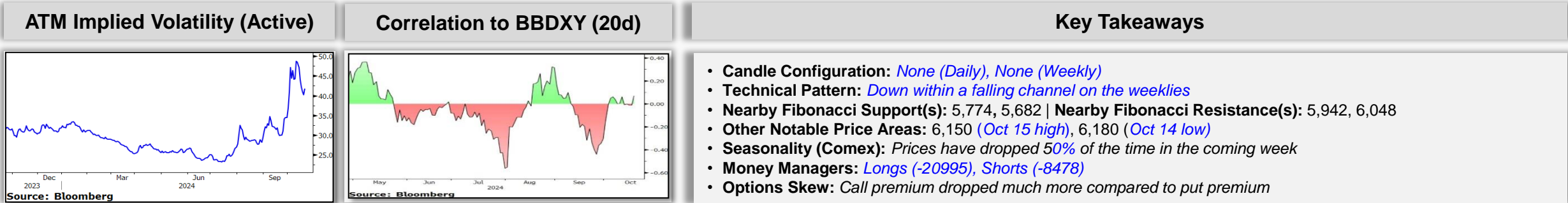
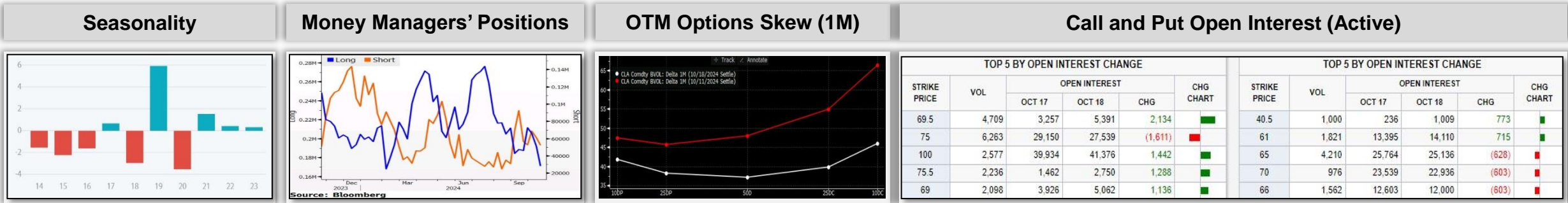
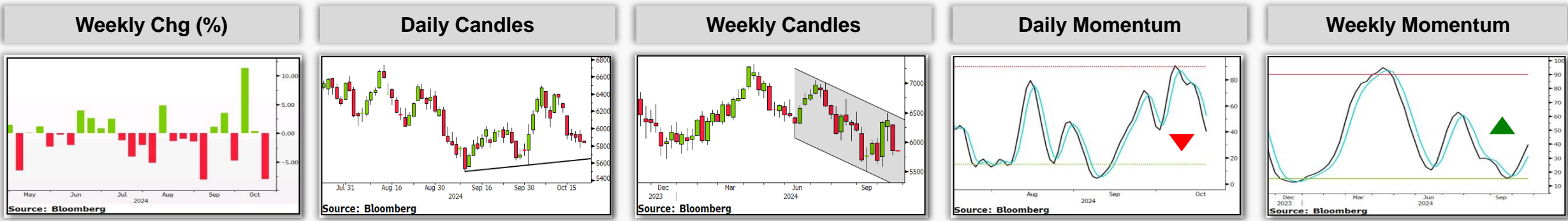
<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>		<b>Range for the Week (\$)</b>		<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
95,402	4.1	89,705 – 95,521		31.40 – 35.18		▲	▲	▲



Green color in the Previous Week's Range shows which of the high or the low came first

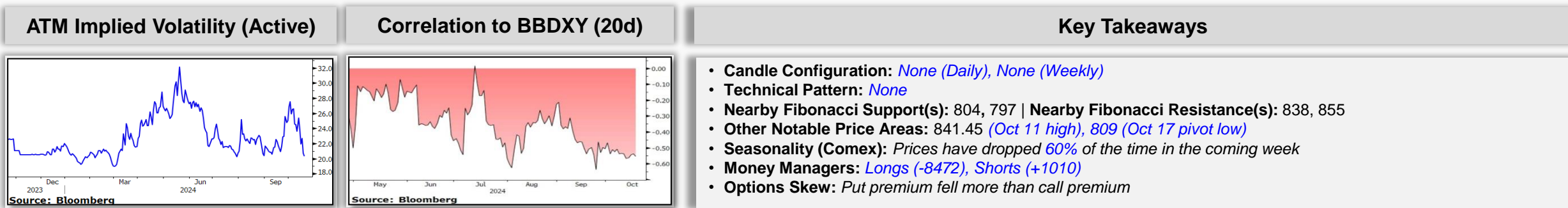
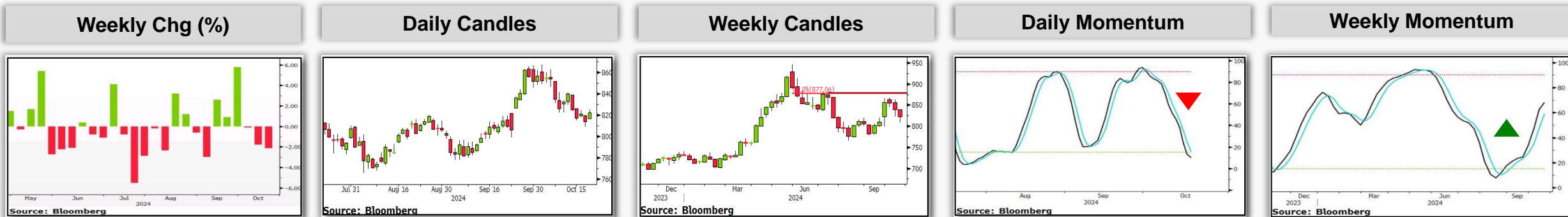


<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>		<b>Range for the Week (\$)</b>		<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
5,855	-8	5,772 – 6,300		65.92 – 72.68		▼	▼	▼



Green color in the **Previous Week's Range** shows which of the high or the low came first

<b>CMP and Weekly % Change</b>		<b>Previous Week's Range</b>		<b>Range for the Week (\$)</b>		<b>Daily</b>	<b>Weekly</b>	<b>Monthly</b>
822.25	<b>-2.1</b>	809 – <b>839</b>		422.70 – 454.80		▼	▼	▲



Green color in the *Previous Week's Range* shows which of the high or the low came first



# Things To Know



Momentum can remain very high or very low for a very long period in strongly trending markets



Trends on higher time-frames are stronger when compared to those on lower time frames



The strongest moves occur when at least two time-frames are aligned in the same direction



Pay close attention when historical seasonality patterns are in-sync with the prevailing trend direction



Simply being overbought is no indication to sell; similarly, simply being oversold is no indication to buy



The COT report comes every Friday at 3:30 PM (EST) and reflects positioning as of the previous Tuesday



Options skew shows whether there is more demand for OTM calls or puts today (white), compared with one week ago (red)



Top 5 most active calls and puts relate to the front-month, active contract



When ATM Implied Volatility is rising (falling) it shows more (less) demand for ATM calls and puts

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