



DAILY METALS COMMENTARY Monday March 18, 2024

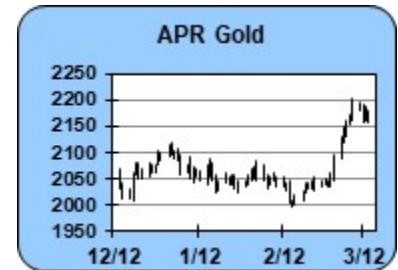
PRECIOUS METALS COMMENTARY

3/18/2024

Finding mild pressure at the start of an eventful week

OVERNIGHT CHANGES THROUGH 6:06 AM (CT):
GOLD +1.70, SILVER +0.00, PLATINUM -1.87

OUTSIDE MARKET DEVELOPMENTS: Global equity markets have started out an eventful week with a mostly positive tone. A set of critical Chinese economic numbers were highlighted by better-than-expected readings for industrial production and retail sales. February Euro zone CPI came as expected 2.6% year-over-year. The North American session will start out with the February Canadian industrial product price index (IPPI) which is forecast to have a mild uptick from January's -2.9% year-over-year rate. The March NAHB housing market index is expected to hold steady with February's 48 reading.



MARKET FUNDAMENTALS: With several critical central bank meetings this week, gold and silver are finding mild pressure early on. The precious metals saw mixed results on Friday as gold could not shake off mild early pressure by the close, while silver rallied to a 3 1/2 month high. A mixed tone in recent US economic data has led to uncertainty over the Fed's rate cut outlook this year. The Dollar continues to hold close to an early 1 1/2 week high, and that is weighing on precious metals prices. The PGM metals have found little benefit from strong Chinese economic data as both are under early pressure this week.

The March 12th Commitments of Traders report showed Gold Managed Money traders are net long 159,560 contracts after net buying 28,500 contracts. This is their most bullish position since March 2022. Non-Commercial & Non-Reportable traders were net long 236,988 contracts after increasing their already long position by 15,362 contracts. Silver Managed Money traders are net long 26,661 contracts after net buying 11,131 contracts, their largest net long since July 2023. Non-Commercial & Non-Reportable traders are net long 54,421 contracts after net buying 10,045 contracts. Platinum Managed Money traders are net short 2,453 contracts after net buying 17,595 contracts. Palladium Managed Money traders were net short 10,436 contracts after decreasing their short position by 1,897 contracts.

TODAY'S MARKET IDEAS:

While both precious metals are finding early pressure, they should continue a somewhat divergent pattern as silver prices should hold the upper hand on gold. If the Dollar loses strength early this week, precious metals should remain well supported. Near-term support for June gold is at \$2,170 while near-term support for May silver is at \$25.05.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None

COPPER COMMENTARY

3/18/2024

Better than expected Chinese data will underpin prices

GENERAL: Copper prices are starting out under mild early pressure after rising 4.9% from Wednesday through Friday, hitting a 12 1/2 month high, as the market is starting to reflect tight near-term global supplies. LME copper stocks have only had six daily builds over the previous 55 readings and have fallen to their lowest levels since early September. Expectations of a Chinese economic rebound has provided support to copper recently. While the latest Chinese industrial production reading was higher than expected, that has been offset by a sharp increase in Shanghai exchange copper stocks over the past four weeks. Shanghai deliverable copper stocks reached 286,395, their highest since April 2020. On the other hand, last week's news that Chinese smelters are cutting their production capacity continues to underpin copper prices.



The March 12th Commitments of Traders report showed Copper Managed Money traders went from a net short to a net long position of 8,546 contracts after net buying 17,144 contracts. Non-Commercial & Non-Reportable traders went from a net short to a net long position of 6,842 contracts after net buying 11,273 contracts.

MARKET IDEAS:

While copper has fallen back from Friday's high, better than expected readings for Chinese industrial production and retail sales can help to shore up ideas of a Chinese economic rebound that can underpin copper prices. With a mild "risk on" tone in global markets, copper should remain well supported during today's trading. Near-term support for May copper is at \$4.0850.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 3/5/2024 - 3/12/2024

	Non-Commercial		Commercial	Non-Reportable		
	Net Position	Weekly Net Change		Net Position	Weekly Net Change	
Metals						
Copper	4,838	+12,203	-6,841	-11,271	2,004	-930
Gold	222,539	+14,287	-236,989	-15,364	14,449	+1,075
Palladium	-10,448	+2,096	10,621	-1,905	-173	-190
Platinum	8,745	+13,277	-14,394	-11,214	5,650	-2,062
Silver	40,034	+12,537	-54,421	-10,044	14,387	-2,492

METALS TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

COMEX GOLD (APR) 03/18/2024: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 2146.8. The next area of resistance is around 2170.8 and 2182.9, while 1st support hits today at 2152.8 and below there at 2146.8.

COMEX SILVER (MAY) 03/18/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 26.029. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 25.739 and 26.029, while 1st

support hits today at 25.080 and below there at 24.710.

COMEX PLATINUM (APR) 03/18/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The upside closing price reversal on the daily chart is somewhat bullish. The close over the pivot swing is a somewhat positive setup. The next upside target is 974.42. The next area of resistance is around 959.25 and 974.42, while 1st support hits today at 928.55 and below there at 913.03.

COMEX COPPER (MAY) 03/18/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The market's close above the 2nd swing resistance number is a bullish indication. The near-term upside target is at 4.19. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 4.16 and 4.19, while 1st support hits today at 4.08 and below there at 4.02.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
METALS COMPLEX										
GCEJ24	2161.8	65.56	66.40	85.33	81.45	2167.90	2167.46	2111.96	2070.44	2072.08
SIEK24	25.410	75.24	69.95	87.78	90.19	25.00	24.70	23.89	23.37	23.56
PLAJ24	943.90	61.72	58.20	80.48	84.45	938.20	925.90	909.85	908.37	926.76
CPAK24	4.12	80.20	73.76	84.85	90.43	4.04	3.96	3.91	3.85	3.86
PAAM24	1090.30	71.66	65.27	81.17	84.44	1072.63	1044.00	1003.39	972.21	1009.83

Calculations based on previous session. Data collected 03/15/2024
Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
METALS COMPLEX						
GCEJ24	COMEX Gold	2146.7	2152.7	2164.8	2170.8	2182.9
SIEK24	COMEX Silver	24.709	25.079	25.369	25.739	26.029
PLAJ24	COMEX Platinum	913.02	928.55	943.72	959.25	974.42
CPAK24	COMEX Copper	4.01	4.07	4.10	4.16	4.19
PAAM24	COMEX Palladium	1062.02	1073.05	1096.52	1107.55	1131.02

Calculations based on previous session. Data collected 03/15/2024
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