

Commodities Morning Brief 4th Jan. 2021

Market News

Asia shares reach record, Nikkei restrained by lockdown risk

Asian shares resumed their ascent on Monday as investors pinned their hope on vaccines to eventually deliver a global economic upturn, even as a possible tightening in virus rules for Tokyo pulled Japanese stocks off 30-year highs. After a slow start, MSCI's broadest index of Asia-Pacific shares outside Japan swung 1.2% higher, hitting another all-time peak. South Korea climbed 2% to a record, led by the chip and auto sectors, while Chinese blue chips added 0.3%. E-Mini futures for the S&P 500 were steady after also touching a record high. EUROSTOXX 50 futures were flat, while FTSE futures rose 0.4%. Investors are still counting on central banks to keep money cheap while coronavirus vaccines help revive the global economy over time, though much of that optimism is already priced in and the virus still spreading.

China telco shares lose 5% in first trading day since NYSE delisting announcement

China's three biggest telcos saw their shares drop as much as 5% in Hong Kong on Monday, the first trading session since the New York Stock Exchange (NYSE) said it would delist the firms under a plan China branded "political" and of "limited" impact. The NYSE on Thursday said it would delist China Mobile Ltd, China Telecom Corp Ltd and China Unicom Hong Kong Ltd following the U.S. government's move in November to block investment in 31 firms that it said are owned or controlled by China's military. The China Securities Regulatory Commission, in a question-and-answer posted on its website on Sunday, said the plan was "politically motivated". The move "completely disregards the actual situation of the relevant companies and the legitimate rights and interests of global investors and severely undermines normal market rules," it said. The American Deposit Receipts listed by the three telcos have a combined market value of under 20 billion yuan (\$3.07 billion), or 2.2% of the firms' equity, the regulator said.

Hedge funds bet on recovery in 2021

Some global hedge fund investors are going into 2021 optimistic about a speedy snap-back from the economic challenges related to the coronavirus pandemic. Hedge funds, which use leverage and employ more aggressive, often riskier strategies than other investors, believe many previously undesirable sectors, ranging from energy to retail, will rebound in 2021. Accounting for roughly \$3 trillion in assets, hedge funds showed resilience in 2020, with many outperforming the market, according to investors. "We think 2021 is going to be a really positive year for the markets," said Jason Donville, president and CEO at Toronto-based hedge fund Donville Kent Asset Management. He forecasts an explosion of pent-up demand for travel and leisure producing a period of "super growth."

Venezuela's oil exports sink to 1940's level under tighter U.S. sanctions -data

Pressured by strict U.S. sanctions, Venezuela's oil exports plunged by 376,500 barrels per day (bpd) in 2020, according to Refinitiv Eikon data and internal documents from state-run PDVSA, financially squeezing socialist President Nicolas Maduro. The administration of U.S. President Donald Trump also put curbs on PDVSA's main trading partners, the owners of tankers still transporting Venezuelan oil and on fuel supply to the gasoline-thirsty nation. The punishment, aimed to oust Maduro after his 2018 re-election was called a sham by most Western nations, has led PDVSA to pursue new customers, rely on mostly unknown intermediaries to resell its oil and deepen ties with Iran, another country under U.S. sanctions. Venezuela's exports of crude and refined products fell 37.5% in 2020 to 626,534 bpd, the lowest in 77 years. The decrease was even larger for fuel imports, which fell 51% compared with 2019, to 83,780 bpd, according to the data.

Tesla 2020 deliveries beat estimates, but fall just short of Musk's target

Tesla Inc on Saturday reported better-than-expected 2020 vehicle deliveries, driven by a steady rise in electric vehicle adoption, but narrowly missed its ambitious full-year goal during a punishing year for the global auto industry. The company delivered 499,550 vehicles during 2020, above Wall Street estimates of 481,261 vehicles, according to Refinitiv data - but 450 units shy of CEO Elon Musk's target. Musk tweeted here he was "proud of the Tesla team for achieving this major milestone." "At the start of Tesla, I thought we had (optimistically) a 10% chance of surviving at all," he said. On Twitter, congratulations from supporters and bullish investors poured in, lauding the electric vehicle maker for its stellar year, which has defied wider auto industry trends of slumping sales, quarterly losses and global supply chain disruptions.

Commodities Latest Prices

Symbol	Bid	Ask	High	Low
Copper	3.5892	3.5918	3.5975	3.5156
USOil	49.519	49.559	49.723	48.105
UKOil	52.967	53.017	53.188	51.42
SOYF	1337.14	1337.89	1347.13	1311.34
NGAS	2.6194	2.6294	2.6505	2.5158
WHEATF	648.37	649.12	650.44	638.51
CORNF	491.22	492.12	494.25	483.94
XAUUSD	1923.73	1924.13	1925.85	1893.41
XAGUSD	27.109	27.157	27.2	26.274

Currencies Latest Prices

Symbol	Bid	Ask	High	Low
EURUSD	1.22629	1.22629	1.22635	1.22279
USDJPY	102.948	102.951	103.319	102.933
GBPUSD	1.36947	1.36951	1.36985	1.36446
USDCHF	0.88282	0.88286	0.88488	0.88223
EURCHF	1.08261	1.08265	1.08319	1.07994
AUDUSD	0.77188	0.7719	0.77219	0.76818
USDCAD	1.26952	1.26956	1.27417	1.26929
NZDUSD	0.72113	0.72117	0.72119	0.71813
EURGBP	0.89542	0.89545	0.89729	0.89436
EURJPY	126.244	126.249	126.531	126.096

Indices Latest Prices

Symbol	Bid	Ask	High	Low
AUS200	6686.23	6687.83	6691.13	6596.88
ESP35	8150.25	8158.25	8158.21	8062.7
FRA40	5603.71	5604.71	5598.69	5550.96
GER30	13814.09	13818.39	13820.39	13671.09
HKG33	27464.109	27473.109	27503.109	27096.439
JPN225	27378.939	27385.939	27649.061	27056.16
NAS100	12932.15	12933.15	12933.2	12828.79
SPX500	3769.77	3770.17	3770.45	3734.51
UK100	6523.61	6524.61	6516.3	6432.97
US30	30705.91	30707.91	30712.91	30420.14

Quick Snapshot

Last	Our Pivot	Support	Resistant	Intraday	Daily	Weekly	Update Time
1928.8000	1903.0000	1903.0000	1938.0000	↗	↗	↗	2021-01-04 11:29:49

Intraday Pivots

S3	S2	S1	Pivot	R1	R2	R3	Analysis Excerpt
1872.0333	1880.5667	1887.8333	1896.3667	1903.6333	1912.1667	1919.4333	Further Advance

Further Advance

Our Pivot: 1903

Our Preference: Buy Gold above 1911 with strict stop loss of 1903 and profit target at 1938 with extension towards 1945.

Alternate Scenario: Downward penetration of 1903 will call for 1895 and 1887.

NOTE: Gold have given bullish breakout of its descending price channel on daily chart and it's expected that it would take a dip to retest resistant trend line of that channel.

Chart with supports & resistances:



Silver Intra-day Analysis 4th Jan. 2021

Quick Snapshot

Last	Our Pivot	Support	Resistant	Intraday	Daily	Weekly	Update Time
27.2600	26.6500	26.6500	27.5000	↗	↗	↗	2021-01-04 11:29:53

Intraday Pivots

S3	S2	S1	Pivot	R1	R2	R3	Analysis Excerpt
25.6356	25.9128	26.1356	26.4128	26.6356	26.9128	27.1356	Further Advance

Further Advance

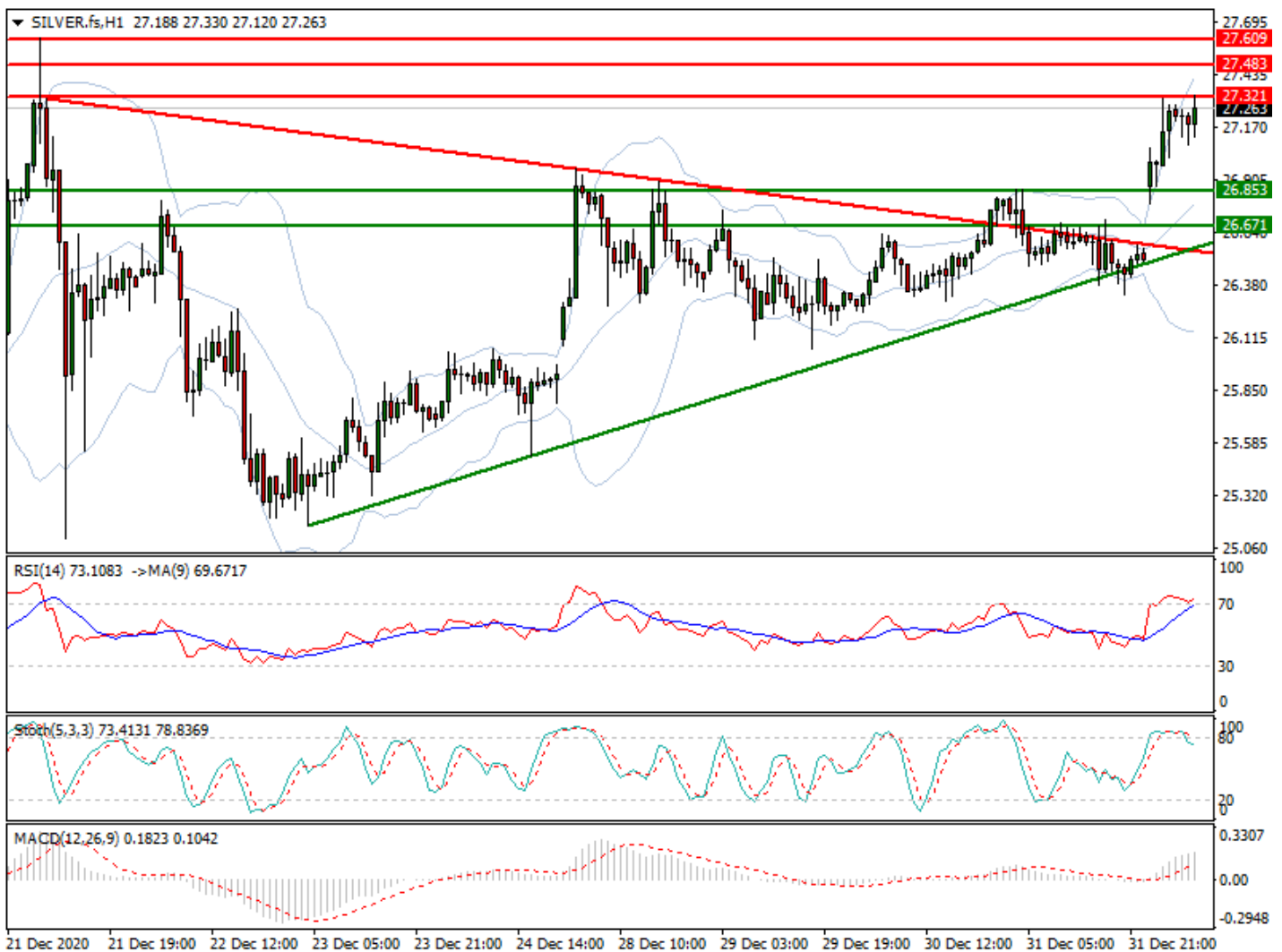
Our Pivot: 26.65

Our Preference: Buy Silver above 26.85 with strict stop loss of 26.65 and profit target at 27.32 with extension towards 27.50.

Alternate Scenario: Downward penetration of 26.65 will call for 26.50 and 26.30.

NOTE: Silver have given bullish breakout of its triangle and now it's heading towards expansion of its triangle.

Chart with supports & resistances:



WTI Crude Oil Intra-day Analysis 4th Jan. 2021

Quick Snapshot

Last	Our Pivot	Support	Resistant	Intraday	Daily	Weekly	Update Time
49.4100	48.6000	48.6000	50.3600	↗	↗	↗	2021-01-04 11:29:57

Intraday Pivots

S3	S2	S1	Pivot	R1	R2	R3	Analysis Excerpt
47.1900	47.4800	48.0000	48.2900	48.8100	49.1000	49.6200	Further Advance

Further Advance

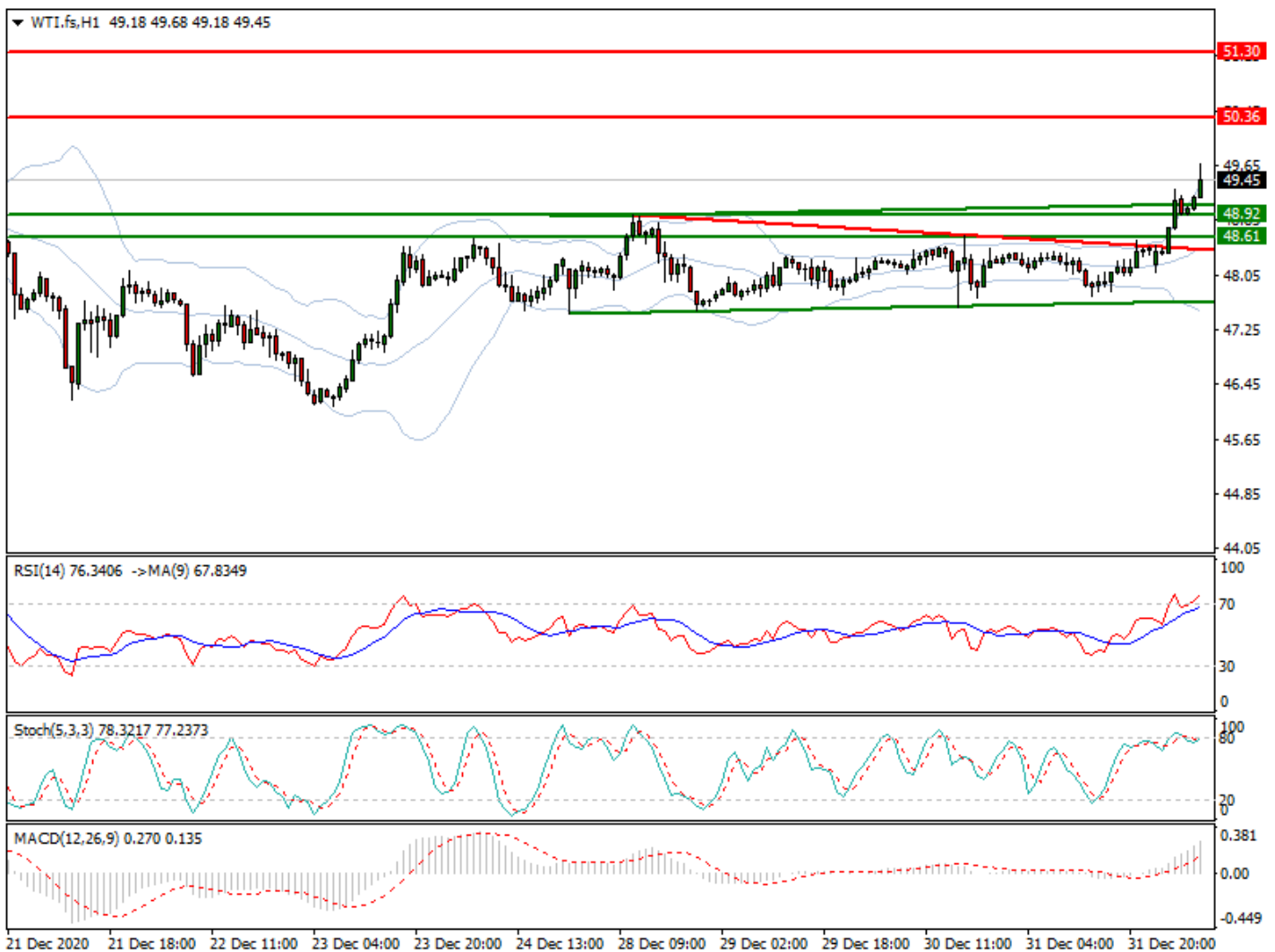
Our Pivot: 48.60

Our Preference: Buy above 49.15 and average it out till 48.90 with strict stop loss of 48.60 and profit target at 50.00 with extension towards 50.36.

Alternate Scenario: Downward penetration of 48.00 will call for 47.50.

NOTE: WTI have given bullish breakout of its triangle now a dip is expected for retesting of that triangle and then it would start a new bullish rally.

Chart with supports & resistances:



GBPUSD Intra-day Analysis 4th Jan. 2021

Quick Snapshot

Last	Our Pivot	Support	Resistant	Intraday	Daily	Weekly	Update Time
1.3689	1.3620	1.3620	1.3730	↓	↑	↑	2021-01-04 11:30:02

Intraday Pivots

S3	S2	S1	Pivot	R1	R2	R3	Analysis Excerpt
1.3539	1.3571	1.3622	1.3654	1.3705	1.3737	1.3788	Turning Down

Turning Down

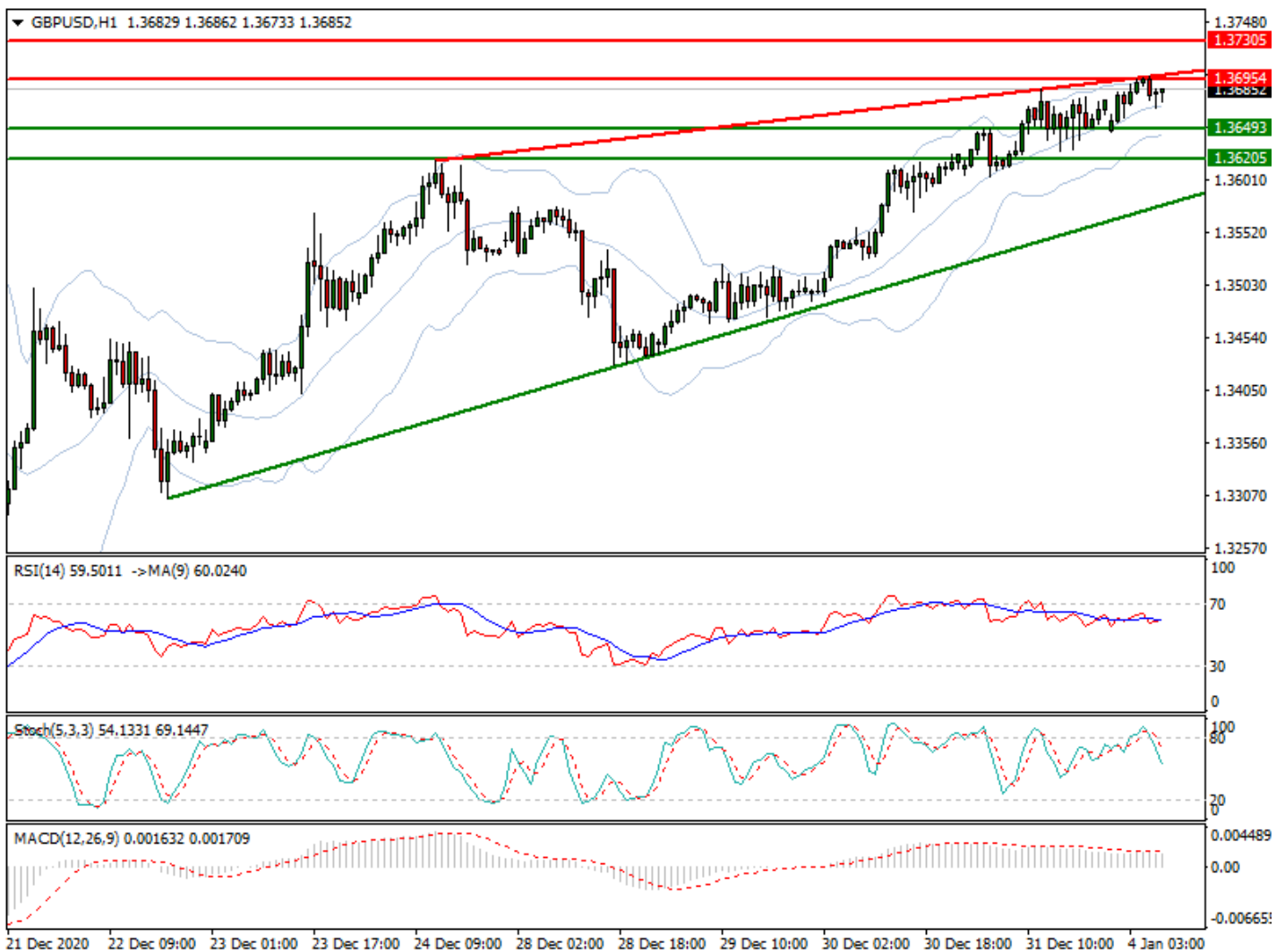
Our Pivot: 1.3730

Our Preference: Short sell below 1.3695 with strict stop loss of 1.3730 and profit target at 1.3650 with extension towards 1.3620.

Alternate Scenario: Upward penetration of 1.3730 will call for 1.3780.

NOTE: GBP is being caged in an ascending wedge on hourly chart and right now it's moving downward after facing rejection from resistant trend line of that wedge.

Chart with supports & resistances:



Quick Snapshot

Last	Our Pivot	Support	Resistant	Intraday	Daily	Weekly	Update Time
1.2257	1.2200	1.2200	1.2287	↘	↗	↗	2021-01-04 11:30:06

Intraday Pivots

S3	S2	S1	Pivot	R1	R2	R3	Analysis Excerpt
1.2075	1.2141	1.2177	1.2243	1.2279	1.2345	1.2381	Turning Down

Turning Down

Our Pivot: 1.2287

Our Preference: Short sell below 1.2260 with strict stop loss of 1.2287 and profit target at 1.2215 with extension towards 1.2175.

Alternate Scenario: Upward penetration of 1.2287 will call 1.2320.

NOTE: Euro have given bearish breakout of its bullish price channel and now it's ready for an other bearish rally after completion of its bearish correction.

Chart with supports & resistances:

