

Copper extends fall, dropping with most metals in London, as President Donald Trump revives trade tensions with China and investors assess risks from political turmoil in Italy.

Trump Ratchets Up Pressure on China with Swerve on Tariff Plans

Italian Bonds in Meltdown Spark a Global Flight to Haven Assets

Source: Bloomberg

Our view: On weekly chart copper is trapped in the range of 6600-7000 from last 3 weeks and more weakness can be seen on the break below 6600 towards next level of support around 6526-6297. The counter is facing stiff resistance near 7128 and a further bullish move is only possible on the close above this level towards next level of resistance till 7479.

Gold prices gained on Wednesday amid political turmoil in Italy.

- Another election could push the euro zone's third-largest economy, already roiled by political unrest, toward an outright snub of the shared currency.
- Italian election looks likely to take place as soon as August, might serve as a de facto referendum on the country's membership in the European Union.
- Prospects for fresh election in Italy that could act as a referendum on nation's inclusion in the eurozone, supporting demand for haven assets as global stocks retreat.

Source: Bloomberg

Our view: The counter may hold and trade in a tight range of \$1281-\$1326 for a short-term period. Gold bounced from a recent low of \$1281 and spiked above \$1306, now holding this psychological level of \$1300, still far away from breaking the critical resistance of 20 DMA at \$1326 and major bullish move may happen above this level towards recent high of 1356 and more above this level till \$1365-\$1375. A negative trend may emerge again if counter breaks recent low of 1281 towards next level of support till \$1277 and \$1263.

Founded in 2005, under the leadership of the Group Chairman Mr. Abhishek Bansal, ABans Group has grown from being a trading house to a dynamic and diversified business group. We provide expertise in Broking Services, Merchant Banking, Non-Banking Financial Dealings, Gold Refining, Realty & Infrastructure. In a nutshell, ABans Group is a comprehensive Financial Services conglomerate, providing end-to-end financial services to all its clients.

Risk Warning :

DERIVATIVES, FOREX, AND CFDs ARE LEVERAGED PRODUCTS WHICH CAN RESULT IN SIGNIFICANT LOSS OF YOUR FUND. PLEASE ENSURE, YOU FULLY UNDERSTAND THE RISKS INVOLVED AND SEEK INDEPENDENT ADVICE IF NECESSARY PRIOR TO ENTERING INTO SUCH TRANSACTIONS.