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Silver Bulls Tightening their Grip

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Silver Fundamental Update

- Silver posted more than 30% gains on COMEX YTD
- In recent meeting, fed announced a sharp rate cut of 50 bps
- Governor Powell mentioned that inflation has eased off but loose labour market is increasing concerns
- Any further indication from Fed officials could trigger volatility
- Weak US economic data from the US are supporting precious metals
- Geo-political tensions especially in the Middle east are also supporting the safe haven buying
- Sharp reversal in Dollar Index and US Yields are capping some gains for Silver
- Surge in Silver price is also leading the Gold/Silver ratio to fall from its recent highs of ~90 to ~84.5
- Domestic import in 2024 has increased significantly, up by more than ~5000 tonnes
- Silver institute suggests that market balance for silver could remain in deficit this year as well
- Any Positive indication from China towards economic growth or industrial demand could be supportive
- Demand from green tech - i.e. Solar energy, EVs, 5G tech continue to paint a positive picture for silver
- Buy on Dips stance can be maintained for Silver.

MCX Silver Technical Update



- MCX Silver is forming an inverse head and shoulder pattern on daily chart, rebounding from the right shoulder support.
- Prices have decisively created higher highs, higher lows, and higher closes, indicating a resurgence in strength.
- We recommend initiating long positions at the current level of ₹92,750, with a stop loss below ₹ 88,000 on a closing basis, targeting ₹ 97,000 and ₹ 1,00,000.

Comex Silver Technical Update



- COMEX Silver is developing a rising wedge pattern and bouncing back from the 21-EMA support area.
- Prices have shown a strong signal of an upward breakout following a period of solid consolidation.
- We suggest initiating long positions at the current price of \$31.90, setting a stop loss below \$30.30, and aiming for targets of \$33.7 and \$34.50 respectively.



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