

COMMODITY DAILY REPORT (Metals & Energy)

27th February, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Mar	27-Mar-18	16.55
Gold	Apr	26-Apr-18	1332.80
Crude Oil	Apr	20-Mar-18	63.91
Brent Crude Oil	May	29-Mar-18	67.29
Natural Gas	Apr	27-Mar-18	2.69

Closing as on 26.02.18

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	64.76
Dollar Index	89.86
EUR / USD	1.2316
CRB Index	199.57

*Closing as on 26.02.18

LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	7111.00
Aluminum	Cash	2188.50
Zinc	Cash	3588.00
Lead	Cash	2598.50
Nickel	Cash	13910.00

Closing as on 26.02.18

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	Mar	53190.00
Aluminum	Mar	14200.00
Zinc	Mar	26555.00
Lead	Mar	19365.00

Closing as on 26.02.18

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Mar -18	38508.00	Down	07.02.18	37863.00	39000.00
Gold	5-Apr -18	30531.00	Up	28.12.17	29012.00	30300.00
Crude Oil	19-Mar -18	4155.00	Up	23.02.18	4125.00	3950.00
Natural gas	26-Mar -18	174.90	Down	31.01.18	190.50	180.00

Closing as on 26.02.18

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Apr-18	463.10	Up	14.02.18	457.55	448.00
Aluminum	30-Mar-18	139.10	Up	19.02.18	141.60	135.00
Zinc	30-Mar-18	230.10	Up	14.02.18	229.55	223.00
Lead	30-Mar-18	167.60	Sideways	16.02.18	168.00	
Nickel	30-Mar-18	902.30	Up	14.02.18	894.30	850.00

**One has to follow the trend and see the price only at closing. This is not for Intra day trading.

Closing as on 26.02.18

Market Update (Bullions)

Bullion counter may trade on volatile path as movement of greenback and US Fed chairman Powell testimony can give direction to the prices. On domestic bourses movement of local currency to further give direction to the prices. Overall it can move in range of 30400-30800 while silver can move in range of 38300-38700 in near term. Gold prices were up for a second day in a row on the back of a weaker dollar, while investors awaited U.S. Federal Reserve Chair Jerome Powell's first congressional testimony for clues on the future pace of monetary tightening. Powell's testimony could determine whether the greenback's recovery from a three-year low that it hit on Feb. 16 can be sustained. The prospect of further interest rate increases by the Fed, more than what the market initially priced in, has bolstered the dollar in the last few weeks. There are some upside risks to the U.S. economic outlook but the degree to which it would affect monetary policy depends on whether the potential capacity of the nation's economy is also raised, Fed Governor Randal Quarles said on Monday.

Market Update (Base Metals)

Base metals complex may open on mixed note as US durable goods orders data to further give direction to the prices. Copper may trade in range of 459-467. Aluminum can move in the range of 138-142 in MCX. Lead can move in the range of 166-169 while zinc may move in range of 228-232. Nickel can move in range of 890-910. London copper prices inched up on Tuesday, lifted in light trade by a weaker dollar ahead of Federal Reserve Chairman Jerome Powell's highly-anticipated first congressional testimony later in the day. Sales of new U.S. single-family homes fell for a second straight month in January, weighed down by steep declines in the Northeast and South, which could raise concerns the housing market is losing momentum. Slack in the euro zone economy may be bigger than previously estimated and this could slow the rise of inflation but only temporarily and prices will eventually climb, European Central Bank President Mario Draghi said on Monday. Aluminium premiums have also climbed, spiking to 14.5 cents a tonne last week, the highest since April, 2015. Traders said there is a rush to import nearby metal in case the U.S. slaps a duty on imports of foreign made material.

Market Update (Energy)

Crude oil may remain sideways as it can move in range of 4120-4190. Oil prices extended gains on Tuesday, supported by signs of stronger demand, robust production curbs led by OPEC and a slight fall in U.S. output. Prices have been rising since the U.S. Energy Information Administration (EIA) last week said there was a surprise draw on oil stockpiles amid a fall off in imports and a surge in exports. He was referring to Libya's National Oil Corp's declaration of force majeure on Saturday for the 70,000-bpd El Feel oilfield after it was closed by a protest by guards. Gasoline stocks are expected to be down by 600,000 barrels, while distillate inventories, which include heating oil and diesel fuel, were seen down 700,000 barrels. The American Petroleum Institute is scheduled to release its weekly data later on Tuesday, followed by the EIA on Wednesday. Natural gas may trade on volatile path as it may move in range of 172-178. U.S. natural gas futures edged up on Monday on forecasts for colder weather and higher heating demand during the first week of March. With the forecasts for cooler weather, gas demand in the Lower 48 U.S. states would rise to 103.2 billion cubic feet per day (bcfd) next week, from a forecast for 95.1 bcfd this week. Last week, consumption averaged 96.3 bcfd.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
19:00	US Core Durable Goods Orders (MoM) (Jan)	Med	0.40%	0.70%	Metal and Energy	Adverse
19:00	US Durable Goods Orders (MoM) (Jan)	Med	-2.40%	2.80%	Metal and Energy	Adverse
19:00	US Fed Chair Powell Testifies	Med			Metal and Energy	
20:30	CB Consumer Confidence (Feb)	Med	126.2	125.4	Metal and Energy	Favourable

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