

COMMODITY DAILY REPORT (Metals & Energy)

8th January, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

| COMMODITY | CONTRACT | EXPIRY DATE | CLOSING PRICE |
|-----------------|----------|-------------|---------------|
| Silver | Mar | 27-Mar-18 | 17.29 |
| Gold | Feb | 26-Feb-18 | 1322.30 |
| Crude Oil | Feb | 22-Jan-18 | 61.44 |
| Brent Crude Oil | Mar | 31-Jan-18 | 67.62 |
| Natural Gas | Feb | 29-Jan-18 | 2.80 |

Closing as on 05.01.18

CURRENCY / COMMODITY INDEX

| CURRENCY (Spot) | CURRENT PRICE |
|-----------------|---------------|
| USD / INR* | 63.33 |
| Dollar Index | 91.98 |
| EUR / USD | 1.2028 |
| CRB Index | 198.52 |

*Closing as on 05.01.18

LME (BASE METALS) (\$ per tonnes)

| COMMODITY | | CLOSING PRICE |
|-----------|------|---------------|
| Copper | Cash | 7097.00 |
| Aluminum | Cash | 2205.50 |
| Zinc | Cash | 3396.00 |
| Lead | Cash | 2590.00 |
| Nickel | Cash | 12500.00 |

Closing as on 05.01.18

SHFE (BASE METALS) (Yuan per tonnes)

| COMMODITY | MONTH | CLOSING PRICE |
|-----------|-------|---------------|
| Copper | Jan | 54720.00 |
| Aluminum | Jan | 14965.00 |
| Zinc | Jan | 25985.00 |
| Lead | Jan | 19325.00 |

Closing as on 05.01.18

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 | 39253.00 | Up | 27.12.17 | 38673.00 | 38800.00 |
| Gold | 5-Feb -18 | 29217.00 | Up | 28.12.17 | 29012.00 | 28600.00 |
| Crude Oil | 19-Jan -18 | 3887.00 | Up | 27.12.17 | 3818.00 | 3750.00 |
| Natural gas | 25-Jan -18 | 177.10 | Sideways | 05.01.18 | 177.10 | - |

Closing as on 05.01.18

MCX (BASE METALS)

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-----------|-------------|---------------|---------|-----------------------|-----------------------|----------------------|
| Copper | 28-Feb-18 | 452.50 | Up | 18.12.17 | 448.25 | 450.00 |
| Aluminum | 31-Jan-18 | 139.20 | Up | 21.12.17 | 136.80 | 137.00 |
| Zinc | 31-Jan-18 | 213.80 | Up | 27.12.17 | 210.65 | 205.00 |
| Lead | 31-Jan-18 | 161.90 | Down | 15.11.17 | 158.45 | 165.00 |
| Nickel | 31-Jan-18 | 794.30 | Up | 18.12.17 | 755.40 | 770.00 |

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

Closing as on 05.01.18

Market Update (Bullions)

Bullion counter may trade on volatile path as movement of greenback and geopolitical tensions to give further direction to the prices. On domestic bourses movement of local currency can give further direction to the prices. Gold can move in range of 29100-29400 while silver can move in range of 39100-39400 in near term. Gold prices held steady on early Monday, below 3-1/2-month highs hit last week, amid expectations of more US interest rate hikes this year. The US December non-farm payrolls report on Friday was weaker than expected. The dollar dipped briefly, then rose as investors reckoned the data would not deter the US Federal Reserve from raising interest rates multiple times this year, though at a gradual pace. Despite weaker-than-expected data, traders overall stuck to their conviction that the Federal Reserve will raise rates at least twice this year. China's foreign exchange reserves rose to their highest in more than a year in December and grew at a faster-than-expected pace, as tight regulations and a strong yuan continued to discourage capital outflows, data showed on Sunday.

Market Update (Base Metals)

Base metals complex may trade on mixed path. Copper may trade in range of 450-458. Aluminum can move in the range of 138-142 in MCX. Lead can hover in the range of 160-163 while zinc may move in range of 211-215. Nickel may trade in range of 785-800. London copper edged away from its lowest in a fortnight on Monday but remained not far from a four-year high, as traders filtered back from holidays and adjusted to a softer dollar and resilient Chinese demand. LME cash zinc is trading at a \$26 premium to the benchmark contract up from a \$10 discount on Dec. 12. Traders suggested the backwardation has encouraged deliveries into SHFE warehouses, where stocks have climbed around 10,000 tonnes since late December. A very big short position holder has emerged in lead futures, at 20-29 pct of outstanding positions for February, rising to 30-39 pct for March. There is also a significant holder of lead warrants, holding 40-50 pct of LME stocks, which suggests an impending tussle. A blizzard of data in coming weeks is expected to show China's economy ended a strong 2017 on a slightly softer note, but activity has likely remained more resilient than expected despite a punishing crackdown on industrial pollution and a cooling property market.

Market Update (Energy)

Crude oil may remain on volatile path as it may move in range of 3850-3930. Oil prices firmed on Monday on the back of a slight decline in the number of U.S. rigs drilling for new production, with crude holding just below near three-year highs reached last week. Traders said the gains were due to a slight decline in the number of U.S. rigs drilling for new production, which eased by five in the week to January 5, to 742, according to data from oil services firm Baker Hughes. Despite this, U.S. production is expected to break through 10 million barrels per day (bpd) very soon, largely thanks to soaring output from shale drillers. Natural gas may trade on positive path as it can move in range of 175-185. U.S. natural gas speculators boosted their net long positions for a second week in a row, in the week to Jan. 2, betting prices will rise as supplies tighten after utilities pulled record amounts of gas out of storage during the brutally cold days since Christmas.

KEY ECONOMIC RELEASES

| IST | Economic releases | Importance | Expected | Previous | Impact on | Adverse/Favourable |
|-------|-----------------------------|------------|----------|----------|------------------|--------------------|
| 20:30 | US JOLTs Job Openings (Nov) | Med | 6.050M | 5.996M | Metal and Energy | Favourable |

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