

COMMODITY DAILY REPORT (Metals & Energy)

4th April, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

| COMMODITY | CONTRACT | EXPIRY DATE | CLOSING PRICE |
|-----------------|----------|-------------|---------------|
| Silver | May | 29-May-18 | 16.39 |
| Gold | Apr | 26-Apr-18 | 1332.80 |
| Crude Oil | May | 20-Apr-18 | 63.51 |
| Brent Crude Oil | June | 30-Apr-18 | 68.12 |
| Natural Gas | May | 26-Apr-18 | 2.70 |

Closing as on 03.04.18

CURRENCY / COMMODITY INDEX

| CURRENCY (Spot) | CURRENT PRICE |
|-----------------|---------------|
| USD / INR* | 64.99 |
| Dollar Index | 90.12 |
| EUR / USD | 1.2269 |
| CRB Index | 197.26 |

*Closing as on 03.04.18

LME (BASE METALS) (\$ per tonnes)

| COMMODITY | | CLOSING PRICE |
|-----------|------|---------------|
| Copper | Cash | 6756.00 |
| Aluminum | Cash | 2010.00 |
| Zinc | Cash | 3284.50 |
| Lead | Cash | 2400.00 |
| Nickel | Cash | 13560.00 |

Closing as on 03.04.18

SHFE (BASE METALS) (Yuan per tonnes)

| COMMODITY | MONTH | CLOSING PRICE |
|-----------|-------|---------------|
| Copper | April | 50480.00 |
| Aluminum | April | 14040.00 |
| Zinc | April | 24935.00 |
| Lead | April | 18860.00 |

Closing as on 03.04.18

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-------------|-------------|---------------|----------|-----------------------|-----------------------|----------------------|
| Silver | 4-May -18 | 38417.00 | Up | 22.03.18 | 38577.00 | 37800.00 |
| Gold | 5-Jun -18 | 30737.00 | Up | 22.03.18 | 30493.00 | 30300.00 |
| Crude Oil | 19-Apr -18 | 4127.00 | Sideways | 02.04.18 | 4112.00 | - |
| Natural gas | 25-Apr -18 | 176.10 | Down | 22.03.18 | 171.10 | 182.00 |

Closing as on 03.04.18

MCX (BASE METALS)

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-----------|-------------|---------------|----------|-----------------------|-----------------------|----------------------|
| Copper | 30-Apr-18 | 440.45 | Down | 22.03.18 | 438.95 | 445.00 |
| Aluminum | 30-Apr-18 | 129.60 | Down | 15.03.18 | 134.80 | 135.00 |
| Zinc | 30-Apr-18 | 213.80 | Sideways | 02.04.18 | 214.60 | - |
| Lead | 30-Apr-18 | 156.45 | Down | 07.03.18 | 154.60 | 158.00 |
| Nickel | 30-Apr-18 | 876.80 | Sideways | 22.03.18 | 856.20 | - |

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

Closing as on 03.04.18

Market Update (Bullions)

Bullion counter may trade on mixed bias but buying can be seen at lower levels on increased safe haven demand amid trade war between China and US. On domestic bourses gold can take support near 30650 in MCX and can move towards 30950. Meanwhile silver can take support near 38250 and can move towards 38750. Gold prices were steady in early Asian trade on Wednesday as the dollar eased amid escalating trade tensions between the United States and China. The Trump administration on Tuesday raised the stakes in a growing trade showdown with China, announcing 25 percent tariffs on some 1,300 industrial technology, transport and medical products to try to force changes in Beijing's intellectual property practices. China's commerce ministry said on Wednesday it "strongly condemns and firmly opposes" the proposed U.S. tariffs following the Section 301 probe and will take counter measures, according to the official Xinhua news agency.

Market Update (Base Metals)

Base metals complex may trade sideways with lack of clear direction. However improved US factory orders data later today to cap the downside to some extent. Shanghai base metal prices mostly fell on Wednesday after the United States announced fresh tariffs on 1,300 Chinese products, including some metal products, escalating a trade row with China, which has vowed to respond. Copper may face resistance 443. Three-month copper on the London Metal Exchange was up 0.2 percent at \$6,810.50 a tonne, extending a 1.2 percent gain in the previous session. China's services sector growth eased to a four-month low in March as new business and employment grew at a slower rate, a private business survey showed, pointing to cooling demand in a sector Beijing is counting on to maintain economic growth. Zinc and lead can face resistance near 215 and 158 respectively. Nickel can recover towards 880. Stocks of nickel held in London Metal Exchange (LME) warehouses fell by 46,344 tonnes, or 12.6 percent, over the first quarter. The downtrend has been running for seven consecutive months but there has been a marked acceleration since the start of January.

Market Update (Energy)

Crude oil may witness some bounce back at lower levels as it can test 4160 in MCX. Oil prices slipped on Wednesday on expectations for a build-up in U.S. crude inventories, but Russian government comments on prospects for stepping up cooperation with OPEC to coordinate output cuts braked steeper declines. Industry group the American Petroleum Institute, however, said on Tuesday U.S. crude stocks have unexpectedly fallen last week as refineries boosted output. Meanwhile, Russian Energy Minister Alexander Novak said on Tuesday that a joint organization between the Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC countries may be set up after the current deal on production cuts expires at the end of this year. Oil has risen from a multi-year low near \$27 a barrel in January 2016, helped by production cuts led by OPEC and Russia, which began in 2017 in order to rein in over-supply and prop up prices. Natural gas can face resistance near 178. U.S. natural gas futures edged up on Tuesday, supported by prospects of an increase in heating demand due to colder than normal weather over the next couple of weeks, but higher production capped gains. Output in the lower 48 states averaged 78.5 billion cubic feet per day (bcfd) over the past 30 days, according to Thomson Reuters data. This compares with an average production of 70.7 bcf during the same period last year and 72.4 bcf in 2016.

KEY ECONOMIC RELEASES

| IST | Economic releases | Importance | Expected | Previous | Impact on | Adverse/Favourable |
|-------|--|------------|----------|----------|------------------|--------------------|
| 17:45 | US ADP Nonfarm Employment Change (Mar) | Med | 205K | 235K | Metal and Energy | Adverse |
| 19:30 | US Factory Orders (MoM) (Feb) | Med | 1.70% | -1.40% | Metal and Energy | Favourable |
| 19:30 | US ISM Non-Manufacturing PMI (Mar) | Med | 59.2 | 59.5 | Metal and Energy | Adverse |
| 20:00 | EIA Crude Oil Inventories | Med | 0.246M | 1.643M | Crude oil | Favourable |
| 20:00 | EIA Gasoline Inventories | Med | -1.264M | -3.472M | Crude oil | Favourable |

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