

COMMODITY DAILY REPORT (Metals & Energy)

25th February, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Mar	27-Mar-20	18.88
Gold	Apr	28-Apr-20	1676.60
Crude Oil	Apr	20-Mar-20	51.43
Brent Crude Oil	May	31-Mar-20	55.77
Natural Gas	Mar	26-Feb-20	1.83

Closing as on 24.02.2020

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	71.92
Dollar Index	99.33
EUR / USD	1.0852
CRB Index	185.26

*Closing as on 24.02.2020

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	5657.50
Aluminum	Cash	1672.50
Zinc	Cash	2039.00
Lead	Cash	1864.00
Nickel	Cash	12360.00

Closing as on 24.02.2020

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Mar -20	45720.00
Aluminum	16-Mar -20	13475.00
Zinc	16-Mar -20	16725.00
Lead	16-Mar -20	14460.00

Closing as on 24.02.2020

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Mar-20	49405.00	Up	18.02.20	47263.00	47500.00
Gold	3-Apr-20	43580.00	Up	18.02.20	41420.00	41800.00
Crude Oil	19-Mar-20	3662.00	Sideways	24.02.20	3662.00	-
Natural gas	26-Mar-20	134.80	Down	19.11.19	181.00	144.00
Diamond 1ct (ICEX)	5-Mar-20	3605.95	Up	27.08.19	3591.00	3525.00

Closing as on 24.02.2020

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	28-Feb-20	422.50	Down	27.01.20	427.95	440.00
Aluminum Mini	28-Feb-20	133.50	Sideways	24.12.19	136.20	-
Zinc MIni	28-Feb-20	151.75	Down	03.12.19	181.45	170.00
Lead Mini	28-Feb-20	139.65	Down	24.02.20	139.65	155.00
Nickel	28-Feb-20	906.80	Down	24.01.20	963.90	960.00
Steel long (ICEX)	5-Mar-20	31700.00	Up	23.12.19	29720.00	30600.00

Closing as on 24.02.2020

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

Market Update (Bullions)

Bullion counter can witness profit booking at higher levels gold prices fell 1% on Tuesday as investors chose to pocket profits after the metal hit a seven-year high in the previous session, although growing fears over a spike in new coronavirus cases outside of China capped bullion's losses. Gold can correct towards 42700 while taking resistance near 43200 while silver can dip towards 48200 while taking resistance near 48900. Asian shares extended losses amid fears the virus was rapidly mutating into a pandemic that could cripple global supply chains and wreak far greater economic damage than first thought. The death toll climbed to seven in Italy on Monday and authorities sealed off the worst-affected towns, closed schools and halted the carnival in Venice, where there were two cases, while several Middle East countries were dealing with their first infections. Investors are pricing in an increased chance the European Central Bank will cut interest rates sooner rather than later, reflecting heightened fears that the virus will spread and hit the euro zone economy hard. U.S. Treasury Secretary Steven Mnuchin told Reuters he does not expect the outbreak to have a material impact on the Phase 1 U.S.-China trade deal, although that could change as more data becomes available in coming weeks.

Market Update (Base Metals)

Base metals may trade with weak bias as the deadly coronavirus has frozen the expected Chinese manufacturing recovery story and is now showing signs of spreading to South Korea, another industrial powerhouse. While equity markets have been taking a more sanguine view of the medium-term economic impact of the virus, copper is starting to price in the multiple short-term impacts on the physical supply chain. Copper may move lower towards 416 while taking resistance near 425. Money managers were net short of CME copper to the tune of 55,373 contracts as of Feb. 18, according to the latest Commitments of Traders report. Hedge fund managers appear more focused on the current state of the physical copper market than the promise of a sharp economic rebound in China when Beijing unleashes the investment taps. Zinc can move towards 150 while taking resistance near 154. Lead may move lower as it can take dip near 140 while facing resistance near 143. Nickel may move towards 918 while taking resistance near 930. Aluminium may trade dip lower as it can test 132 while taking resistance near 137.

Market Update (Energy)

Crude oil may witness bounce back at lower levels as crude oil can improve towards 3760 while taking support near 3670. Oil slid more than 5% at its session low on Monday, falling into bear market territory as the number of coronavirus cases outside of China surged. Investors are worried that a subsequent slowdown in the global economy could dent the demand for crude. Italy reported a seventh death from the flu-like virus and 220 infections. Natural gas can slip lower towards 130 while taking resistance near 136. EIA forecasts that the Lower 48 states' working natural gas in storage will end the 2019–20 winter heating season (November 1–March 31) at 1,935 billion cubic feet (Bcf), with 12% more inventory than the previous five-year average. This increase is the result of mild winter temperatures and continuing strong production. EIA forecasts that net injections during the refill season (April 1–October 31) will bring the total working gas in storage to 4,029 Bcf, which, if realized, would be the largest monthly inventory level on record.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
20:30	CB Consumer Confidence (Feb)	High	132	131.6	Metal and Energy	Favourable

Vandana Bharti (AVP - Commodity Research)
Sandeep Joon Sr. Research Analyst (Metal & Energy)

Boardline : 011-30111000 Extn: 625
Boardline : 011-30111000 Extn: 683

vandanabharti@smcindiaonline.com
sandeepjoon@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



Moneywise. Be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd.) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities/commodities market.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject commodity.

DISCLAIMER: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions.

Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the commodity thereof, mentioned here in or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodities discussed herein(c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.