

COMMODITY DAILY REPORT (Metals & Energy)

11th November, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.46
Gold	December	29-Dec-20	1876.40
Crude Oil	December	20-Nov-20	41.36
Brent Crude Oil	December	30-Nov-20	43.91
Natural Gas	December	25-Nov-20	2.95

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	74.28
Dollar Index	92.73
EUR / USD	1.18
CRB Index	160.69

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6865.50
Aluminum	Cash	1880.00
Zinc	Cash	2617.50
Lead	Cash	1818.00
Nickel	Cash	15700.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51950.00
Aluminum	16-Nov-20	15170.00
Zinc	16-Nov-20	20335.00
Lead	16-Nov-20	14490.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Nov-20	15566.97	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	63044.00	Up	18.05.20	47698.00	58200.00
Gold	4-Dec-20	50501.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Nov-20	3058.00	Sideways	08.09.20	2705	-
Natural gas	24-Nov-20	219.90	Up	23.09.20	154.20	200.00
Diamond 1ct (ICEX)	4-Dec-20	3544.25	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	27-Nov-20	536.05	Up	12.10.20	525.00	490.00
Aluminum	27-Nov-20	156.60	Up	10.06.20	138.40	136.00
Zinc	27-Nov-20	210.60	Up	11.05.20	156.60	182.00
Lead	27-Nov-20	152.25	Up	28.07.20	148.05	140.00
Nickel	27-Nov-20	1192.80	Up	12.10.20	1105.00	1100.00
Steel long (ICEX)	7-Dec-20	35290.00	Sideways	16.06.20	30210.00	-

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

All closing prices as on 10.11.20

Market Update (Bullions)

Bullion counter may continue to trade with bullish bias where Gold may test 50800 and taking support near 50300 while silver may trade with higher volatility where it may test 63650 and taking support near 62700. Gold prices edged higher on Wednesday supported by hopes of more U.S. stimulus measures as surging COVID-19 cases threaten to hamper economic recovery, although optimism over vaccine developments limited gains. Spot gold rose 0.2% to \$1,879.31 per ounce. U.S. gold futures were up 0.1% at \$1,878.70. A surge in coronavirus cases threatens to slow U.S. economic growth once more in coming months, Federal Reserve policymakers said on Tuesday, and to get through it the economy will again need government aid. U.S. job openings increased less than expected in September while hiring fell, suggesting the labor market recovery was petering out even before a resurgence in new COVID-19 cases which is expected to slow momentum. California and several states across the U.S. Midwest tightened restrictions on residents on Tuesday as the number of COVID-19 infections surged again in the United States. President-elect Joe Biden said on Tuesday nothing would stop the transfer of power in the U.S. government, even as President Donald Trump says without evidence the election was marred by fraud and some of his Republican allies back probes. Japanese Prime Minister Yoshihide Suga instructed his cabinet on Tuesday to compile a package of stimulus measures to revitalise an economy hit by the pandemic. Silver rose 0.2% to \$24.26.

Market Update (Base Metals)

Base metals may continue to trade with sideways to bullish bias but some correction is expected from higher levels where Copper can move towards 539 and taking support near 533. Shanghai base metals traded mixed on Wednesday morning, as investor sentiment continued to be buoyed by a recent positive development on the coronavirus vaccine front. Meanwhile, their counterparts on the LME were mostly higher. Copper is benefiting from a very strong risk-on rally driven by a weaker dollar after the election last week. Chinese exports grew at the fastest pace in 19 months in October, while imports also rose, as the world's top copper consumer continued to recover from its coronavirus-driven slump early this year. Chilean miner Codelco has agreed with a major Chinese buyer to supply copper at a premium of \$88 a tonne in 2021, sources told Reuters. Copper production costs at mines in Chile fell 17% in the first half of 2020, the mining ministry said. China's foreign trade is expected to have grown strongly in October, German industrial output rose less than expected in September and U.S. employers hired the fewest workers for five months in October. Zinc may move towards 212 and taking support near 209. Lead can move towards 154 while taking support near 151. Nickel trade with sideways to bullish bias where it may take support near 1184 and resistance near 1210. Due to the impact of the decline in the futures price of large stainless steel factories, the price of nickel pig iron is unlikely to be high, and there is a risk of weakening. Aluminum may move towards 158 while taking support near 155. China's exports of unwrought aluminium and aluminium products came in at 418,893.7 tonnes in October, down 1.8% from in September and down 2.% from a year earlier.

Market Update (Energy)

Crude oil may trade with bullish bias where support is seen near 3020 and resistance is seen near 3140. Oil extended gains toward \$42 a barrel in New York after an industry reported pointed to a bigger-than-expected decline in U.S. crude stockpiles, adding to bullish momentum after a vaccine breakthrough. The American Petroleum Institute reported crude inventories dropped by 5.15 million barrels last week, with gasoline and diesel stockpiles also decreasing, according to people familiar with the data. Official government figures are due Thursday. While early findings on a vaccine showed it protected most people from Covid-19, it's likely to take some time to roll out if it proves effective. Oil has rallied more than 11% over the past two days, buoyed initially by the election of Joe Biden as U.S. president and followed by a broader market surge on the coronavirus vaccine news from Pfizer Inc and BioNTech. Natural gas may trade with higher volatility where resistance is seen near 224 and support near 217. Natural gas prices edged higher on Wednesday ahead of Thursday inventory report from the Department of Energy. There is also another storm that is entering the Caribbean which has a 10% chance of forming a tropical cyclone in the next 48-hours according to NOAA. The weather is expected to be warmer than normal over the next 8-14 days according to NOAA.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
19:00	US Initial Jobless Claims	High	735K	751K	Metal & Energy	Favourable
19:00	US Continuing Jobless Claims	High	6,900K	7,285K	Metal & Energy	Favourable
19:00	US Core CPI (YoY) (Oct)	High	1.8%	1.7%	Metal & Energy	Favourable
19:00	US Core CPI (MoM) (Oct)	High	0.2%	0.2%	Metal & Energy	Neutral
19:00	US CPI (MoM) (Oct)	High	0.1%	0.2%	Metal & Energy	Adverse
21:30	EIA Crude Oil Inventories	High	-0.913M	-7.998M	Energy	Favourable
21:30	EIA Gasoline Inventories	High	-0.263M	1.541M	Energy	Favourable

Vandana Bharti (AVP - Commodity Research)
 Shiva Nand Upadhyay - Sr. Research Associate
 Mr. Ravinder Kumar - Sr. Research Analyst

Boardline : 011-30111000 Extn: 625
 Boardline : 011-30111000 Extn: 646
 Boardline : 011-30111000 Extn: 687

vandanabharti@smcindiaonline.com
 shivanand@smcindiaonline.com
 ravinderkumar@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.