

COMMODITY DAILY REPORT (Metals & Energy)

16th October, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.22
Gold	November	25-Nov-20	1904.90
Crude Oil	November	20-Oct-20	40.96
Brent Crude Oil	December	30-Oct-20	43.16
Natural Gas	November	28-Oct-20	2.78

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.42
Dollar Index	93.79
EUR / USD	1.17
CRB Index	160.96

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6683.50
Aluminum	Cash	1824.00
Zinc	Cash	2397.00
Lead	Cash	1754.50
Nickel	Cash	15353.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51240.00
Aluminum	16-Nov-20	14660.00
Zinc	16-Nov-20	19130.00
Lead	16-Nov-20	14485.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Oct-20	15529.82	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	61535.00	Up	18.05.20	47698.00	58200.00
Gold	5-Dec-20	50712.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Oct-20	2994.00	Sideways	08.09.20	2705	-
Natural gas	27-Oct-20	203.90	Up	23.09.20	154.20	150.00
Diamond 1ct (ICEX)	5-Nov-20	3322.40	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Oct-20	530.70	Up	12.10.20	525.00	490.00
Aluminum	30-Oct-20	150.40	Up	10.06.20	138.40	136.00
Zinc	30-Oct-20	194.15	Up	11.05.20	156.60	182.00
Lead	30-Oct-20	148.60	Up	28.07.20	148.05	140.00
Nickel	30-Oct-20	1130.50	Up	12.10.20	1105.00	1040.00
Steel long (ICEX)	5-Nov-20	32850.00	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 15.10.20

Market Update (Bullions)

Bullion counter may bounce towards resistance where Gold may test 51200 and taking support near 50300 while silver may trade with higher volatility where it may test 62400 and taking support near 60600. Gold prices inched lower on Friday, on track for its first weekly decline in three, as the dollar held firm and U.S. stimulus talks showed no progress. Spot gold fell 0.1% to \$1,906.39 per ounce. It is down 1.2% for the week so far, having posted two straight weekly gains. U.S. gold futures were up 0.1% at \$1,910.60. The dollar index was steady near a two-week peak hit in the previous session. The greenback was headed for its first weekly gain in three. U.S. President Donald Trump said on Thursday he was willing to raise his offer of \$1.8 trillion for a COVID-19 relief deal with Democrats in Congress, but the idea was shot down by his fellow Republican, Senate Majority Leader Mitch McConnell. The number of Americans filing new claims for jobless benefits rose to a two-month high last week, stoking fears the pandemic was inflicting lasting damage to the labour market. The European Union put the onus on Britain to compromise on their new economic partnership or stand ready for trade disruptions in less than 80 days. British Prime Minister Boris Johnson will respond and set out his approach to the talks on Friday. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.15% to 1,276.06 tonnes on Thursday. Silver fell 0.2% to \$24.26 per ounce.

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 535 and taking support near 526. Copper prices rose on Friday as hopes of strong demand in top metals consumer China and risks of supply disruptions outweighed concerns that a resurgence in COVID-19 cases in Europe may weaken the global economic recovery momentum. Chilean state-run copper miner Codelco said it was producing at full capacity and aims to meet its 2020 output targets. Aurubis, Europe's biggest copper smelter, will offer unchanged 2021 copper premiums to its customers of \$96 per tonne above LME prices. Zinc may move towards 196 and taking support near 191. Lead can move towards 150 while taking support near 147. Nickel trade with sideways to bullish bias where it may take support near 1112 and resistance near 1145. China's output of zinc rose in September, while nickel, lead and tin production fell, research house Antaika said. Nickel Mines Ltd will buy 70% of Indonesia's PT Angel Nickel Industry for \$490 million in a deal that will double its nickel production within two years. Aluminum may move towards 152 while taking support near 148. The European Union will impose duties of up to 48% on imports of aluminium extrusions from China.

Market Update (Energy)

Crude oil may continue to trade in wider range where support is seen near 2940 and resistance is seen near 3070. Oil prices fell on Friday on concerns that major producers will move ahead with plans to ease their supply cuts even as a spike in COVID-19 cases in Europe and the United States is curtailing demand in two of the world's biggest fuel consuming regions. A technical committee of the Organization of the Petroleum Exporting Countries (OPEC) and allied oil producers, a group known as OPEC+, ended a meeting on Thursday expressing concerns about rising oil supply as social restrictions to curb the spread of COVID-19 limit fuel usage. OPEC+ is set to reduce its current supply cuts of 7.7 million barrels per day (bpd) by 2 million bpd in January even as OPEC Secretary General Mohammed Barkindo admits fuel demand is looking "anaemic." Natural gas may trade with higher volatility and may extend the bullish rally where resistance is seen near 212 and support near 196.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
18:00	US Core Retail Sales (MoM) (Sep)	High	0.5%	0.7%	Metal & Energy	Adverse
18:00	US Retail Sales (MoM) (Sep)	High	0.7%	0.6%	Metal & Energy	Favourable
18:45	US Industrial Production (MoM) (Sep)	High	0.5%	0.4%	Metal & Energy	Favourable
18:45	US Manufacturing Production (MoM) (Sep)	High	0.7%	1.0%	Metal & Energy	Adverse
19:30	US Business Inventories (MoM) (Aug)	High	0.4%	0.1%	Metal & Energy	Adverse
19:30	US Michigan Consumer Expectations (Oct)	High	76.5	75.6	Metal & Energy	Favourable
19:30	US Michigan Consumer Sentiment (Oct)	High	80.5	80.4	Metal & 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.