

COMMODITY DAILY REPORT (Metals & Energy)

27th October, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.42
Gold	November	25-Nov-20	1903.10
Crude Oil	December	20-Nov-20	38.56
Brent Crude Oil	December	30-Oct-20	40.46
Natural Gas	November	28-Oct-20	3.02

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.96
Dollar Index	93.07
EUR / USD	1.18
CRB Index	160.08

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6806.00
Aluminum	Cash	1822.50
Zinc	Cash	2512.50
Lead	Cash	1750.00
Nickel	Cash	15397.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51870.00
Aluminum	16-Nov-20	14750.00
Zinc	16-Nov-20	19755.00
Lead	16-Nov-20	14310.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Nov-20	15602.71	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	61906.00	Up	18.05.20	47698.00	58200.00
Gold	4-Dec-20	50930.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Nov-20	2846.00	Sideways	08.09.20	2705	-
Natural gas	24-Nov-20	238.50	Up	23.09.20	154.20	150.00
Diamond 1ct (ICEX)	5-Nov-20	3526.70	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	528.75	Up	12.10.20	525.00	490.00
Aluminum	27-Nov-20	151.00	Up	10.06.20	138.40	136.00
Zinc	27-Nov-20	200.85	Up	11.05.20	156.60	182.00
Lead	27-Nov-20	147.25	Up	28.07.20	148.05	140.00
Nickel	27-Nov-20	1159.60	Up	12.10.20	1105.00	1040.00
Steel long (ICEX)	6-Nov-20	33170.00	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 26.10.20

Market Update (Bullions)

Bullion counter may extend gains where Gold may test 51200 and taking support near 50500 while silver may trade with higher volatility where it may test 62700 and taking support near 61400. Gold prices gained in early Asia trade on Tuesday, supported by a weaker dollar and concerns stemming from the surging coronavirus spread globally and its economic fallout. Spot gold rose 0.3% to \$1,907.77 per ounce. U.S. gold futures were up 0.2% at \$1,909.20. The dollar index slipped 0.1% against a basket of currencies, making gold cheaper for holders of other currencies. U.S. House of Representatives Speaker Nancy Pelosi is hopeful that congressional Democrats and the Trump administration can reach agreement on the coronavirus relief bill before the elections, however White House economic adviser Larry Kudlow told reporters on Monday that talks have slowed. Sales of new U.S. single-family homes unexpectedly fell in September after four straight monthly increases, but the housing market remains supported by record low mortgage rates and demand for more space as the COVID-19 pandemic drags on. Britain said on Monday that time was very short to bridge the significant remaining gaps on key issues in talks with the European Union, as EU chief negotiator Michel Barnier heads to London to continue negotiations. Silver rose 0.5% to \$24.43 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 (Nov) can move towards 532 and taking support near 528. Shanghai base metals were mostly lower on Tuesday morning, while their counterparts on the LME set for a mixed start. Profits at China's industrial firms jumped 10.1% year-on-year in September, according to the country's National Bureau of Statistics. The US dollar index rebounded, returning above 93, which pressured copper futures. Besides, talks on a new COVID-19 aid bill in Washington remain in limbo, and new virus cases spiked in the United States and Europe, which boosted pessimistic sentiment among investors. Zinc may move towards 203 and taking support near 198. Lead (Nov) can move towards 149 while taking support near 146. Nickel (Nov) trade with sideways to bullish bias where it may take support near 1145 and resistance near 1175. Nickel ore prices remained firm as its supply continued to be tight after the Philippines entered a wet season. NPI prices were also firm with support from raw material prices. Refined nickel supply is likely to be short in the near term due to its improved demand and small inflow of imported cargoes. Aluminum (Nov) may move towards 153 while taking support near 149. China reverted to being a net aluminium exporter in September, official data showed on Friday, as the price gap between foreign and domestic metal narrowed, making shipments from overseas more expensive and reducing import volumes. The world's top aluminium producing country imported 355,999 tonnes of unwrought aluminium and aluminium products last month, the General Administration of Customs said. That compared with exports of 426,469 tonnes.

Market Update (Energy)

Crude oil may continue to trade in wider range where support is seen near 2770 and resistance is seen near 2980. Oil prices regained a semblance of stability on Tuesday after suffering sharp losses over the previous session and last week, as a resurgence of coronavirus cases globally hit prospects for crude demand while increasing supply also hurt sentiment. Prices got some support from the potential drop in U.S. production as oil companies began shutting offshore rigs with the approach of a hurricane in the Gulf of Mexico. The worst is over for the crude market, Saudi Arabia's Energy Minister Prince Abdulaziz bin Salman also said on Monday. The lack of progress in striking an agreement for a U.S. coronavirus relief package added to the general market gloom. A wave of coronavirus infections sweeping across the United States, Russia, France and many other countries has undermined the global economic outlook, with record numbers of new cases possibly forcing some countries to impose fresh restrictions as winter looms. Natural gas may trade with higher volatility and may extend the bullish rally where resistance is seen near 243 and support near 234. Increasing export demand and supportive government storage data should've underpinned prices, but a warmer turn in the latest weather forecast capped gains.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
18:00	US Core Durable Goods Orders (MoM) (Sep)	High	0.4%	0.6%	Metal & Energy	Adverse
18:00	US Durable Goods Orders (MoM) (Sep)	High	0.5%	0.5%	Metal & Energy	Neutral
19:30	CB Consumer Confidence (Oct)	High	102.5	101.8	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

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