

**COMMODITY DAILY REPORT (Metals & Energy)**
**12th May, 2021**
**INTERNATIONAL MARKETS**
**COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)**

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	May	28-Jul-21	27.67
Gold	Jun	28-Jun-21	1836.10
Crude Oil	Jun	20-May-21	65.28
Brent Crude Oil	Jun	30-Apr-21	68.55
Natural Gas	May	28-Apr-21	2.96

**CURRENCY / COMMODITY INDEX**

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.37
Dollar Index	90.21
EUR / USD	1.21
CRB Index	219.09

**LME (BASE METALS) (\$ per tonnes)**

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	10528.00
Aluminum	Cash	2549.50
Zinc	Cash	3004.00
Lead	Cash	2218.00
Nickel	Cash	17943.00

**SHFE (BASE METALS) (Yuan per tonnes)**

COMMODITY	MONTH	CLOSING PRICE
Copper	17-May-21	75630.00
Aluminum	17-May-21	19965.00
Zinc	17-May-21	22430.00
Lead	17-May-21	15590.00

**DOMESTIC MARKETS**
**MCX / ICEX**

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	26-May-21	15017.00	Down	17.03.21	14279.00	14880.00
Silver	5-Jul-21	71929.00	Sideways	23.03.21	64972.00	
Gold	4-Jun-21	47633.00	Up	08.04.21	46838.00	43200.00
Crude Oil	19-May-21	4800.00	Up	24.11.20	3333.00	4050.00
Natural gas	25-May-21	217.80	Sideways	23.12.20	191.90	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Apr-21	797.50	Sideways	16.03.21	669.30	-
Aluminum	30-Apr-21	201.00	Up	10.06.20	138.40	166.00
Zinc	30-Apr-21	236.35	Up	11.05.20	156.60	205.00
Lead	30-Apr-21	175.70	Sideways	12.03.21	160.00	-
Nickel	30-Apr-21	1328.60	Up	08.04.21	1270.90	1140.00
Metlidx	20-May-21	15634.00	Up	16.11.20	12939.00	13000.00

\*\*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 11.05.21**

## Market Update (Bullions)

Bullion counter may trade with sideways to bearish bias where Gold may find support near 47300 and facing resistance near 47900 while Silver (Jul) may trade with sideways to bearish bias where it may find support near 71400 and facing resistance near 72600. Gold prices fell on Wednesday, as a rise in U.S. Treasury yields and a firmer dollar dented the metal's safe-haven appeal, while investors awaited U.S. consumer price index data due later in the day. The U.S. currency slipped to a more than two-month low in the previous session after worries about rising inflation threatened to erode its value. Benchmark U.S. 10-year Treasury yields hit their highest in more than a week. Higher bond yields raise the opportunity cost of holding non-yielding gold. Federal Reserve officials grappled on Tuesday with April's surprisingly weak employment growth, maintaining faith in the U.S. economic rebound but acknowledging the pace of the jobs recovery may prove choppier than anticipated. Market participants awaited the release of U.S. consumer price data due 1800 IST on Wednesday for further cues on the Fed's stance on inflation. U.S. job openings surged to a record high in March, further evidence that a shortage of workers was hampering job growth, even as nearly 10 million Americans are looking for employment. South Korea's unemployment rate fell to an eight-month low in April, while the number of people employed rose at the sharpest pace in nearly seven years as the economic recovery continues. U.S. President Joe Biden on Monday urged U.S. companies to help workers gain access to vaccines and to raise their pay while touting an infusion of \$350 billion in federal aid to state and local governments.

## Market Update (Base Metals)

Base metals may trade with bullish bias where buying is expected in Copper (May) support holds at 792 whereas resistance near 808. Copper prices rose on Wednesday, as supply worries in Chile supported prices to stay near their record high levels touched earlier this week. Three-month copper on the London Metal Exchange rose 0.5% to \$10,513 a tonne, hovering near an all-time high of \$10,747.50 a tonne hit on Monday. Workers' strike threats at BHP Group's BHP.AX Escondida and Spence copper mines loomed after contract negotiations stalled, putting further pressure on an already tight copper concentrate market. Prices have also been supported by hope that copper demand will be boosted by the renewable energy and electric vehicle sectors, as well as by a global economic recovery from the impacts of the pandemic. Zinc may witness buying pressure and move towards 238 and taking support near 235. Lead also follows the footsteps of other base metals and may move towards 178 while taking support near 174. Nickel may witness buying pressure from lower levels, support for counter holds near 1320 whereas resistance near 1345. China's refined nickel output dropped 0.21% from March to 13,000 mt in April. Operating rates across nickel smelters remained unchanged from March at 59%, down 7 percentage points from a year ago. There were only two smelters in China producing refined nickel in April. The metals are taking positive cues from there. Also, the US and China recovery has been stronger, demand has continued to go up, economic data has been positive as well especially for these two consuming countries and that is taking the price higher. Aluminum (May) may trade with sideways to bullish bias where support holds near 203 and resistance near 199. China's primary aluminium output rose 9.87% year on year to 3.25 million mt in April (30 production days), showed an SMM survey. For the first four months of 2021, primary aluminium output totalled 12.94 million mt, rising 8.6% from the same period last year.

## Market Update (Energy)

Crude oil may witness selling from higher levels where support is seen near 4700 and resistance is seen near 4790. Oil prices rose on Wednesday, extending overnight gains, after industry data showed a drop in U.S. crude inventories, which reinforced OPEC's robust demand outlook, and as the shutdown of the biggest U.S. fuel pipeline headed into a sixth day. OPEC said it expects demand to rise by 5.95 million bpd this year, unchanged from its forecast last month. However, it cut its demand outlook for the second quarter by 300,000 bpd due to soaring COVID-19 infections in India. U.S. crude oil production is expected to fall by 290,000 barrels per day (bpd) in 2021 to 11.02 million bpd, the U.S. Energy Information Administration (EIA) said on Tuesday, a steeper decline than its previous forecast for a drop of 270,000 bpd. U.S. oil producers have been gradually increasing drilling activity as oil prices have rebounded but output growth has been muted as investors pressure companies to rein in spending and focus on returns. The EIA said it expects U.S. petroleum and other liquid fuel consumption to rise 1.39 million bpd to 19.51 million bpd in 2021, compared with a previous forecast for a rise of 1.32 million bpd. The agency expects that gasoline consumption in the United States will average almost 9 million bpd this summer, between April and September, which is 1.2 million bpd more than last summer but almost 600,000 bpd less than summer of 2019. For 2022, U.S. consumption is forecast to rise 1.02 million bpd to 20.53 million bpd, higher than its previous estimate for an increase of 980,000 bpd. Natural gas futures are trading higher in the extended session after recovering from an early morning setback that drove prices to their lowest level since April 27. Weak weather-driven demand may have been the biggest contributor to the early session weakness with some analysts saying it could take three weeks for summer cooling demand to kick in. Additionally, some analysts anticipate substantial storage increases in May. Natural gas may trade in tight range with bearish bias where it may take support near 214 and could face resistance near 220.

**KEY ECONOMIC RELEASES**

<b>IST</b>	<b>Economic releases</b>	<b>Importance</b>	<b>Expected</b>	<b>Previous</b>	<b>Impact on Commodity</b>	<b>Adverse/Favourable /Neutral</b>
18:00	CPI (MoM) (Apr)	HIGH	0.20%	0.60%	Bullions	Favorable
20:00	Crude Oil Inventories	HIGH	(2.817)M	(7.990M)	Energy	Adverse



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