

COMMODITY DAILY REPORT (Metals & Energy)

23rd May, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	July	27-Jul-18	16.58
Gold	June	27-Jun-18	1292.00
Crude Oil	July	20-June-18	72.20
Brent Crude Oil	July	31-May-18	79.57
Natural Gas	June	29-May-18	2.91

Closing as on 22.05.18

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	68.01
Dollar Index	93.52
EUR / USD	1.1778
CRB Index	210.34

*Closing as on 22.05.18

LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	6931.50
Aluminum	Cash	2265.50
Zinc	Cash	3038.50
Lead	Cash	2448.00
Nickel	Cash	14700.00

Closing as on 22.05.18

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	June	51290.00
Aluminum	June	14640.00
Zinc	June	23935.00
Lead	June	20225.00

Closing as on 22.05.18

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Jul -18	40495.00	Up	10.05.18	40390.00	39700.00
Gold	5-Jun -18	31108.00	Up	10.05.18	31365.00	30800.00
Crude Oil	19-June -18	4929.00	Up	09.05.18	4799.00	4740.00
Natural gas	25-May -18	197.90	Up	23.04.18	182.30	187.00

Closing as on 22.05.18

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	29-Jun-18	472.00	Up	18.04.18	459.10	460.00
Aluminum	31-May-18	154.05	Down	23.04.18	151.00	160.00
Zinc	31-May-18	207.40	Sideways	18.05.18	211.10	-
Lead	31-May-18	168.05	Up	14.05.18	161.05	159.00
Nickel	31-May-18	1005.50	Up	21.05.18	1000.00	970.00

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

Closing as on 22.05.18

Market Update (Bullions)

Bullion counter may open on flat note tacking mixed movement in international markets. Investors will keenly monitor the FOMC minutes of last meeting later today which can show hawkish comments and can pressurize the bullion counter. On domestic bourses some weak local currency can also cap the downside. Gold can take support near 30950 and can face resistance near 31250 in MCX. Meanwhile silver can take support near 40200 and can face resistance near 40600. Trump on Tuesday said he was not pleased with recent trade talks between the United States and China, but kept the door open for further negotiations. Asian shares edged up on Wednesday but investors were cautious after U.S. President Donald Trump tempered optimism over progress made so far in trade talks between the world's two largest economies. Donald Trump said on Tuesday there was a "substantial chance" his summit with North Korean leader Kim Jong Un will not take place as planned on June 12 amid concerns that Kim is resistant to giving up his nuclear weapons.

Market Update (Base Metals)

In base metals pack profit booking can be seen in copper and nickel. London copper futures edged lower on Wednesday, pulling back from the previous session's nearly one-month peak, after U.S. President Donald Trump said he was not pleased with recent trade talks between the United States and China. His comments on Tuesday came after U.S. Treasury Secretary Steven Mnuchin said over the weekend that the two countries had put the prospect of a trade war "on hold" while they work on a wider trade agreement, which helped revive appetite for riskier assets. Copper may face resistance near 475 and can dip lower towards 467. Zinc can trade sideways as it can take support near 206 and resistance near 210 while lead can take support near 165 and can move higher towards 170. LME lead retreated from a 12-week high, down 0.8 percent to \$2,454 a tonne, after a rally driven by Chinese speculators on Tuesday as they bet on potential supply shortages. In Shanghai, lead slipped 0.5 percent to 20,120 yuan per tonne, after hitting 20,465 yuan on Tuesday, its strongest since October 2017. Nickel may open in red and tumble lower towards 985. LME nickel fell 1.2 percent to \$14,600 a tonne after recent gains. Nickel remains the best performer among base metals, with a year-to-date gain of more than 14 percent. Aluminium may remain sideways as it can take support near 152 and resistance near 156 in MCX.

Market Update (Energy)

Crude oil may remain sideways with negative bias with the possibility of higher OPEC output weighing on the market, although geopolitical risks are expected to keep prices near multi-year highs. Today EIA weekly inventory data can show drop in stockpiles which can lend support to the prices. The Organization of the Petroleum Exporting Countries (OPEC) may decide to raise oil output as soon as June due to worries over Iranian and Venezuelan supply and after Washington raised concerns the oil rally was going too far. Crude oil can take support near 4900 and has resistance near 4970 in MCX. Natural gas can extend yesterday rally on warm weather forecasts and can test 200 in MCX. U.S. natural gas futures jumped by the most since January to a more than three-month high on expectations warmer-than-normal temperatures will depress the amount of gas available to go into already depleted storage fields. The market is gaining strength today as above-normal temperatures are expected to continue through the end of May and into June, and this early season warmth is already assumed to have taken a bite out of last week's injection.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
19:15	US Manufacturing PMI (May)	Med	56.6	56.5	Metal and Energy	Favourable
19:30	US New Home Sales (Apr)	Med	680K	694K	Metal and Energy	Adverse
20:00	EIA Crude Oil Inventories	High	-1.567M	-1.404M	Crude oil	Favourable
20:00	EIA Gasoline Inventories	High	-1.388M	-3.790M	Crude oil	Adverse
23:30	FOMC Meeting Minutes	High			Metal and Energy	

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