

COMMODITY DAILY REPORT (Metals & Energy)

13th June, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	July	27-Jul-18	16.89
Gold	Aug	29-Aug-18	1299.40
Crude Oil	July	20-June-18	66.36
Brent Crude Oil	Aug	29-June-18	75.88
Natural Gas	July	27-June-18	2.94

Closing as on 12.06.18

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	67.48
Dollar Index	93.86
EUR / USD	1.17
CRB Index	204.90

*Closing as on 12.06.18

LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	7,200.50
Aluminum	Cash	2,309.00
Zinc	Cash	3,229.00
Lead	Cash	2,458.00
Nickel	Cash	15,295.00

Closing as on 12.06.18

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	June	53520.00
Aluminum	June	14745.00
Zinc	June	24785.00
Lead	June	20745.00

Closing as on 12.06.18

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	40691.00	Up	11.06.18	40791.00	39800.00
Gold	3-Aug -18	31156.00	Sideways	06.06.18	30861.00	-
Crude Oil	19-June -18	4478.00	Down	25.05.18	4597.00	4550.00
Natural gas	26-June -18	198.50	Up	23.04.18	182.30	192.00

Closing as on 12.06.18

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	29-Jun-18	484.60	Up	05.06.18	474.80	472.00
Aluminum	29-Jun-18	156.35	Down	23.04.18	151.00	160.00
Zinc	29-Jun-18	217.45	Up	11.06.18	218.00	213.00
Lead	29-Jun-18	166.55	Up	14.05.18	161.05	163.00
Nickel	29-Jun-18	1029.00	Up	21.05.18	1000.00	1020.00

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

Closing as on 12.06.18

Market Update (Bullions)

Gold futures (Aug) is expected to trade sideways in the range of 30960-31260 with upside getting capped. Silver futures (July) is expected to trade with an upside bias taking support near 40400-40300 levels. Gold prices were little changed on Wednesday ahead of the U.S. Federal Reserve's policy decision which could give cues on future rate hikes. Spot gold was nearly unchanged at \$1,295.22 per ounce at 0051 GMT. U.S. gold futures for August delivery were 0.1 percent lower at \$1,298.80 per ounce. With the Federal Reserve virtually guaranteed to raise interest rates at its two-day meeting this week, investors are focused on how the U.S. central bank characterizes its monetary policy as borrowing costs return to more normal levels amid an ongoing economic expansion. We would expect some weakness into the announcement, a possible knee-jerk reaction lower and a modest rally, if the Fed does not surprise with a more hawkish stance. With the recent turbulence in the Italian bond market and other issues within the EU, it is likely the Fed may signal a pause through the summer and it becomes likely that the mid-terms may hold them off until December. There is also an expectation that the Fed will be signaling confidence about the strength of the U.S. economy as the beneficial impact of continued labor market gains is reinforced by a pickup in business investment and higher government spending.

Market Update (Base Metals)

Base metals counters are likely to trade with a weaker bias in near term. On the international market, base metals prices mostly fell in early trade on Wednesday as investors awaited news from the U.S. Federal Reserve's policy meeting, at which it is expected to raise interest rates. The dollar approached a three-week high against the yen and stood tall against the euro on Wednesday ahead of the Federal Reserve's policy meeting, which could give clues on how many more rate hikes might come out of the U.S. this year. In addition to the Fed, Thursday's ECB policy meeting is expected to dictate the euro's near-term direction. Speculation that the ECB could signal intention to start unwinding its massive bond purchasing program had pushed up the euro to a three-week high of \$1.1840 last week, although the common currency has been unable to sustain those gains. Copper on MCX is expected to trade sideways in the range of 482-487 levels. Three-month copper on the London Metal Exchange fell 0.4 percent to \$7,197 a tonne, trading lower for a fourth straight session, while Shanghai copper shed 0.6 percent to 53,670 yuan a tonne. Nickel is expected to take support near 1020 levels & the downside may remain capped. Lead may trade with a downside bias & come down towards 165 levels. On the international market, there is a sign that shortages in China were starting to ease. LME data on Friday showed a 19 percent jump in on-warrant lead inventories - stocks that are not earmarked for delivery. That was due to holders of stocks reversing earlier decisions to take material out of warehouses, potentially to ship to China. Zinc will possibly trade with an upside bias taking support near 216-215.35 levels. Aluminum is likely to trade sideways to down & face resistance near 158 levels taking negative cues from the international market. The most-traded August aluminium contract on the Shanghai Futures Exchange was down 1.4 percent at 14,675 yuan (\$2,291) a tonne, as of 0157 GMT, having earlier touched 14,570 yuan a tonne its lowest since May 2.

Market Update (Energy)

Crude oil is expected to trade sideways in the range of 4410-4510 levels. On NYMEX, Oil prices fell on Wednesday, pulled down by rising supplies in the United States and expectations that voluntary production cuts led by producer cartel OPEC could be loosened. OPEC is likely to reject a request by Iran to discuss U.S. sanctions against Tehran at this month's meeting of the oil producer group. Brent crude futures the international benchmark for oil prices, were at \$75.49 per barrel at 0005 GMT, down 39 cents, or 0.5 percent, from the last close. U.S. West Texas Intermediate crude futures were at \$65.92 a barrel, down 44 cents, or 0.7 percent from their last settlement. Investors continue to reduce their bullish position in crude oil futures and options, after a blistering rally over the last year, but now the profit-taking has spread to refined fuels such as gasoline and heating oil. Funds cut their net long positions in Brent (-14 million barrels), NYMEX and ICE WTI (-19 million barrels), U.S. gasoline (-17 million), U.S. heating oil (-12 million) and European gasoil (-10 million). Natural gas is expected to face resistance near 202-203 levels & witness profit booking from higher levels. U.S. natural gas futures gave up a penny on Tuesday on forecasts for less demand next week than previously expected. Traders noted the move lower came after the market tried but failed to break a four-month high earlier in the day. Front-month gas futures fell 1.0 cent, or 0.3 percent, to settle at \$2.939 per million British thermal units. Earlier Tuesday, the contract rose to \$2.988, matching the four-month high set on May 31.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
18:00	U.S Core PPI (MoM) (May)	High	0.20%	0.20%	Bullions	Neutral
20:00	U.S Crude Oil Inventories	High	-2.744M	2.072M	Crude oil	Favourable
23:30	FOMC Economic Projections	High	-	-		
23:30	FOMC Statement	High	-	-		
23:30	Fed Interest Rate Decision	High	2.00%	1.75%	All Commodities	Adverse

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