

COMMODITY DAILY REPORT (Metals & Energy)

28th October, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.57
Gold	November	25-Nov-20	1909.20
Crude Oil	December	20-Nov-20	39.57
Brent Crude Oil	December	30-Oct-20	41.20
Natural Gas	November	28-Oct-20	3.02

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.62
Dollar Index	93.14
EUR / USD	1.18
CRB Index	158.71

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6787.50
Aluminum	Cash	1808.00
Zinc	Cash	2538.50
Lead	Cash	1780.50
Nickel	Cash	15602.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51500.00
Aluminum	16-Nov-20	14755.00
Zinc	16-Nov-20	19740.00
Lead	16-Nov-20	14325.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Nov-20	15631.66	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	62281.00	Up	18.05.20	47698.00	58200.00
Gold	4-Dec-20	50961.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Nov-20	2934.00	Sideways	08.09.20	2705	-
Natural gas	24-Nov-20	254.50	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	529.80	Up	12.10.20	525.00	490.00
Aluminum	27-Nov-20	150.20	Up	10.06.20	138.40	136.00
Zinc	27-Nov-20	201.35	Up	11.05.20	156.60	182.00
Lead	27-Nov-20	147.85	Up	28.07.20	148.05	140.00
Nickel	27-Nov-20	1182.40	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 27.10.20

Market Update (Bullions)

Bullion counter may post selling where Gold may test 50400 and facing resistance near 51200 while silver may trade with higher volatility where it may test 61700 and facing resistance near 62860. Gold prices were subdued on Wednesday, as the dollar strengthened, after hopes of U.S. stimulus faded following President Donald Trump's comment that a deal would likely come after the November election. Spot gold fell 0.1% to \$1,905.51 per ounce. U.S. gold futures were down 0.2% at \$1,908.70. The dollar index was up 0.2% against rivals, making bullion expensive for those holding other currencies. Trump on Tuesday said a coronavirus economic relief deal would likely come after the Nov. 3 election, with the White House unable to bridge differences with fellow Republicans in the U.S. Senate as well as congressional Democrats. Data showed new orders for key U.S.-made capital goods increased to six-year high in September, while the Conference Board said its consumer confidence index fell to a reading of 100.9 this month from 101.3 in September amid concerns about the future. French President Emmanuel Macron is expected to give a televised address on Wednesday evening, as authorities explore fresh restrictions to curb the spread of the coronavirus. Britain must spell out how far it wants to diverge from European Union rules if it wants access to the bloc's financial market from January, a top European Commission official said on Tuesday. China's net gold imports via Hong Kong surged to a six-month high in September, helped by a recovery in demand as economic activity picked up in the world's top consumer of the metal. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, rose 0.23% to 1,266.72 tonnes on Tuesday. Silver fell 1% to \$24.30 per ounce.

Market Update (Base Metals)

Base metals may continue to trade with sideways to bearish bias but some correction is expected from higher levels where Copper (Nov) can move towards 526 and facing resistance near 532. Shanghai base metals were mostly higher on Wednesday morning, while their counterparts on the LME fell broadly. Profits at China's industrial firms jumped 10.1% year-on-year in September, according to the country's National Bureau of Statistics. Investors are now expecting positive news from China's 14th five-year plan. The biggest factor is macro uncertainty as well as rising COVID-19 cases, which also cast a shadow on the economic recovery. The U.S. election could add to the risk aversion, while hopes on the stimulus bill (have) also faded. Zinc may move towards 199 and facing resistance near 203. Lead (Nov) can move towards 145 while facing resistance near 149. Nickel (Nov) trade with sideways to bullish bias where it may take support near 1165 and resistance near 1206. The discount of cash LME nickel to the three-month contract fell to \$32.50 a tonne, the weakest since early September, indicating less availability of metal in LME warehouses. Aluminum (Nov) may move towards 148 while facing resistance near 152. 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 2860 and resistance is seen near 2980. Oil prices slid more than 1 percent on Wednesday, paring the previous day's gains, as a jump in U.S. crude inventories and surging COVID-19 cases raised fears of an oversupply of oil and weak fuel demand. U.S. crude oil and gasoline stocks rose last week, data from industry group the American Petroleum Institute showed, with crude inventories rising by 4.6 million barrels to about 495.2 million barrels, against analysts' expectations in a Reuters poll for a build of 1.2 million barrels. Energy firms and ports along the U.S. Gulf Coast prepared on Tuesday for another test as Zeta, the 11th hurricane of the season, entered the Gulf of Mexico. Adding to pressure, Libya's production should rebound to 1 million bpd in coming weeks, complicating efforts by other OPEC members and allies to restrict output. Natural gas may trade with higher volatility and may extend the bullish rally where resistance is seen near 251 and support near 240. Natural gas prices moved higher on Tuesday rising 1.4% as tropical storm Zeta makes its way into the Gulf of Mexico. The movement of the storm is expected to reduce production in the Gulf of Mexico by approximately 20%.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
20:00	EIA Crude Oil Inventories	High	1.110M	-1.001M	Energy	Adverse
20:00	EIA Gasoline Inventories	High	-2.000M	1.895M	Energy	Favourable

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