

COMMODITY DAILY REPORT (Metals & Energy)

25th November, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	23.30
Gold	December	29-Dec-20	1804.60
Crude Oil	January	21-Dec-20	44.91
Brent Crude Oil	December	30-Nov-20	47.78
Natural Gas	December	25-Nov-20	2.78

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	74.08
Dollar Index	92.13
EUR / USD	1.19
CRB Index	167.15

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	7302.00
Aluminum	Cash	1964.50
Zinc	Cash	2745.00
Lead	Cash	2006.00
Nickel	Cash	16007.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Dec-20	54080.00
Aluminum	15-Dec-20	15800.00
Zinc	15-Dec-20	20940.00
Lead	15-Dec-20	15270.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Dec-20	14916.91	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	59621.00	Up	18.05.20	47698.00	58200.00
Gold	4-Dec-20	48585.00	Up	23.03.20	41163.00	49500.00
Crude Oil	18-Dec-20	3333.00	Up	24.11.20	3333.00	3000.00
Natural gas	28-Dec-20	214.90	Sideways	20.11.20	196.00	-
Diamond 1ct (ICEX)	4-Dec-20	3437.00	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	557.30	Up	12.10.20	525.00	490.00
Aluminum	27-Nov-20	160.95	Up	10.06.20	138.40	148.00
Zinc	27-Nov-20	217.20	Up	11.05.20	156.60	182.00
Lead	27-Nov-20	155.75	Up	28.07.20	148.05	145.00
Nickel	27-Nov-20	1206.30	Up	12.10.20	1105.00	1100.00
Steel long (ICEX)	7-Dec-20	35630.00	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 24.11.20

Market Update (Bullions)

Bullion counter may continue to trade with bearish bias where Gold may test 48200 and facing resistance near 48900 while silver may trade with higher volatility where it may test 58900 and facing resistance near 60400. Gold prices edged up on Wednesday helped by a weaker dollar, though a robust appetite for riskier assets kept the safe-haven metal near a more than four-month low hit in the previous session. Spot gold rose 0.1% to \$1,809.41 per ounce. U.S. gold futures were up 0.2% at \$1,807.60. The dollar index eased 0.1% against a basket of currencies, making bullion cheaper to other currency holders. U.S. president-elect Joe Biden moved swiftly to make Cabinet choices after defeating President Donald Trump, who gave the go-ahead for Biden to start receiving daily intelligence briefings, a sign he has all but accepted the result. Biden's formally approved transition and positive developments around a possible COVID-19 vaccine sparked a rally in U.S. equities with the Dow piercing the 30,000 level for the first time on Tuesday. Investors now await the FOMC's minutes from its last meeting due at 1900 GMT for clues on the direction of monetary policy. China's net gold imports via Hong Kong plunged about 84% in October from September's six-month peak, marking their steepest month-on-month decline since June, Hong Kong Census and Statistics Department data showed on Tuesday. Holdings of the SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 1.1% to 1,199.74 tonnes on Tuesday from 1,213.17 tonnes on Monday. Silver rose 0.2% to \$23.29 per ounce.

Market Update (Base Metals)

Base metals may trade with positive bias where Copper can move towards 560 and taking support near 555. Base metals on the SHFE were mostly higher on Wednesday morning, and their counterparts on the LME rose across the board, following a record session on Wall Street as coronavirus vaccine hopes and reduced uncertainty in US politics buoy investor sentiment. Copper prices hit an almost 30-month high on Tuesday, with fresh buying triggered by optimism over COVID-19 vaccines, expected robust demand in top consumer China and a weaker dollar. China's copper imports rose year on year in October and set a new annual peak with two months to spare, underscoring the speed of the recovery from the pandemic in the world's top consumer of the metal. Chile's copper production will likely rise by 0.6% to 5.82 million tonnes in 2020, state copper commission Cochilco said, and to 5.99 million tonnes in 2021. Cochilco estimated that the copper price will average \$2.75 per pound in 2020, before rising to \$2.90 per pound in 2021. Zinc may move towards 219 and taking support near 216. Lead can move towards 157 while taking support near 154. Smelter treatment charges in China have tumbled to two-year lows under \$100 per tonne as operators compete for concentrates. That's a long, long way below this year's benchmark terms of \$299.75. WBMS noted that lead market recorded a deficit of 32 kt in January to September 2020 which follows a deficit of 278 kt recorded in the whole of 2019. Nickel trade with sideways to bullish bias where it may take support near 1198 and resistance near 1215. China's stainless steel mills face higher costs for essential ingredient ferrochrome, if as expected, South Africa goes ahead with proposals to impose taxes on exports of chrome ore. Aluminum may move 162 while taking support near 159. China's aluminum imports fell 27.9% in October from September, as the spread between domestic and international prices continued to narrow.

Market Update (Energy)

Crude oil may trade with bullish bias where support is seen near 3290 and resistance is seen near 3380. U.S. oil edged lower on Wednesday, after an industry report showed crude stockpiles in the United States rose against expectations, tempering a rally driven by news that another vaccine against COVID-19 had proved effective in trials. AstraZeneca said on Monday its COVID-19 vaccine was 70% effective in trials and could be up to 90% effective, providing another weapon in the fight to control the pandemic after positive results from other major pharmaceutical developers. Any viable vaccine is not likely to be ready for mass use in the next few months, meaning lockdowns and travel restrictions will be in place into next year. That makes it likely that the group known as OPEC+ will continue production cuts into 2021 after a meeting set to start on Nov. 30 following technical talks this week. The American Petroleum Institute, an industry association, said on Tuesday that U.S. crude stocks rose by 3.8 million barrels in the week to Nov. 20 to around 490 million barrels, against analysts' expectations in a Reuters poll for a build of 127,000 barrels. Natural gas may trade with higher volatility where resistance is seen near 220 and support near 213. Natural Gas prices moved higher on Tuesday as colder than expected weather is expected to cover most of the south for the next 2-weeks.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable /Neutral
19:00	US Initial Jobless Claims	High	730K	742K	Metal & Energy	Adverse
19:00	US Continuing Jobless Claims	High	6,020K	6,372K	Metal & Energy	Adverse
19:00	US Core Durable Goods Orders (MoM) (Oct)	High	0.5%	0.9%	Metal & Energy	Favourable
19:00	US Durable Goods Orders (MoM) (Oct)	High	1.0%	1.9%	Metal & Energy	Favourable
19:00	US GDP (QoQ) (Q3)	High	33.2%	33.1%	Metal & Energy	Adverse
19:00	US GDP Price Index (QoQ) (Q3)	High	3.7%	3.7%	Metal & Energy	Neutral
20:30	US Core PCE Price Index (YoY) (Oct)	High	1.4%	1.5%	Metal & Energy	Favourable
20:30	US Core PCE Price Index (MoM) (Oct)	High	0.1%	0.2%	Metal & Energy	Favourable
20:30	US Michigan Consumer Expectations (Nov)	High	71.3	71.3	Metal & Energy	Neutral
20:30	US Michigan Consumer Sentiment (Nov)	High	77.0	77.0	Metal & Energy	Neutral
20:30	US New Home Sales (MoM) (Oct)	High	1.9%	-3.5%	Metal & Energy	Adverse
20:30	US New Home Sales (Oct)	High	970K	959K	Metal & Energy	Adverse
21:00	EIA Crude Oil Inventories	High	-0.333M	0.768M	Energy	Favourable
21:00	EIA Gasoline Inventories	High	0.167M	2.611M	Energy	Favourable
22:30	EIA Natural Gas Storage	High	-18B	31B	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

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd.) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities/commodities market.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject commodity.

DISCLAIMER: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions.

Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the commodity thereof, mentioned here in or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodities discussed herein(c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High Court. All disputes shall be subject to the exclusive jurisdiction of Delhi High Court.