

COMMODITY DAILY REPORT (Metals & Energy)

19th July, 2019

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Sep	26-Sep-19	16.20
Gold	Aug	28-Aug-19	1428.10
Crude Oil	Sep	20-Aug-19	55.42
Brent Crude Oil	Sep	31-July-19	61.93
Natural Gas	Aug	29-July-19	2.29

Closing as on 18.07.19

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	68.85
Dollar Index	96.81
EUR / USD	1.1275
CRB Index	188.35

*Closing as on 18.07.19

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	5948.00
Aluminum	Cash	1827.50
Zinc	Cash	2477.00
Lead	Cash	2020.00
Nickel	Cash	14685.00

Closing as on 18.07.19

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Aug-19	46730.00
Aluminum	15-Aug-19	13835.00
Zinc	15-Aug-19	19485.00
Lead	15-Aug-19	16420.00

Closing as on 18.07.19

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Sep-19	40738.00	Up	19.06.19	37304.00	39400.00
Gold	5-Aug-19	35156.00	Up	31.05.19	32266.00	34000.00
Crude Oil	19-Aug-19	3835.00	Sideways	18.07.19	3835.00	-
Natural gas	26-July-19	157.80	Sideways	12.07.19	169.00	-

Closing as on 18.07.19

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	31-July-19	447.55	Up	17.07.19	446.75	435.00
Aluminum	31-July-19	143.70	Sideways	22.05.19	144.30	-
Zinc	31-July-19	192.45	Down	01.05.19	219.75	211.00
Lead	31-July-19	156.65	Down	01.05.19	129.75	160.00
Nickel	31-July-19	1031.10	Up	10.07.19	915.30	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 18.07.19

Market Update (Bullions)

Bullion counter may trade on upside path as gold prices rose to their highest in more than six years on Friday, supported by fresh tensions in the Middle East and comments from a top Federal Reserve official that cemented expectations of an interest rate cut. New York Fed President John Williams said on Thursday that policymakers need to add stimulus early to deal with too-low inflation when interest rates are near zero and cannot wait for economic disaster to unfold. The comments from Williams made it a virtual certainty the Fed would opt to cut interest rates by 25 basis points (bps) at its July 30-31 policy meeting and also fuelled expectations of an even deeper 50 bp reduction. Gold can test 35500 while taking support near 35200 and silver can move towards 41500 while taking support near 40700. Meanwhile, the United States said on Thursday that a U.S. Navy ship had "destroyed" an Iranian drone in the Strait of Hormuz after the aircraft threatened the vessel, but Iran said it had no information about losing a drone. U.S. and Chinese officials were scheduled to have a phone call on trade later on Thursday, U.S. Treasury Secretary Steven Mnuchin said in an interview on the sidelines of the G7 meeting in Chantilly, France, potentially opening the door for direct talks to resume.

Market Update (Base Metals)

Base metals may trade with upside path. Copper may move higher towards 456 while taking support near 448. China's top copper smelters on Thursday lowered their floor treatment and refining charges (TC/RCs) for the third quarter by 24.7%, two people familiar with the matter said, with one adding smelters will consider cutting output if low rates persist. Zinc can test 196 while taking support near 194. Lead may test 159 while taking support near 155. Nickel may move higher towards 1060 while taking support near 1025. Nickel extended its rally into another day on Friday, having hit a four-year high in Shanghai overnight, after comments from two Federal Reserve officials revived bets for an aggressive rate cut this month, lifting the base metals complex. Nickel, used to make stainless steel is heading for a weekly gain of 11.6% in London this week on bullish Chinese stainless steel output data and concerns over Indonesian export curbs, That would be its biggest weekly gain since April 2009. The global nickel market deficit widened to 12,500 tonnes in May from a revised shortfall of 7,500 tonnes in the previous month, the International Nickel Study Group said on Thursday. Aluminum may test 145 while taking support near 142.

Market Update (Energy)

Crude oil may trade on upside path as oil prices rose more than 1% on Friday after the U.S. Navy destroyed an Iranian drone in the Strait of Hormuz, a major chokepoint for global crude flows, again raising tensions in the Middle East. The United States said on Thursday that a U.S. Navy ship had "destroyed" an Iranian drone in the Strait of Hormuz after the aircraft threatened the vessel, but Iran said it had no information about losing a drone. The International Energy Agency (IEA) is reducing its 2019 oil demand forecast due to a slowing global economy amid a U.S.-China trade spat, its executive director said on Thursday. Crude oil may move towards 3950 while taking resistance near 3830. Last year, the IEA predicted that 2019 oil demand would grow by 1.5 million bpd but had already cut the growth forecast to 1.2 million bpd in June this year. Natural gas may dip lower as it can test 156 while taking resistance near 162. U.S. natural gas futures eased to a two-week low after the release of a government report showing a near normal storage build last week allowed the market to focus on forecasts for cooler weather and lower demand next week than previously expected.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
19:30	US Michigan Consumer Expectations (Jul)	High	89.8	89.3	Metal and Energy	Favourable
19:30	US Michigan Consumer Sentiment (Jul)	High	98.6	98.2	Metal and Energy	Favourable

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