

COMMODITY DAILY REPORT (Metals & Energy)

18th September, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	September	28-Sep-20	26.99
Gold	October	28-Oct-20	1941.30
Crude Oil	October	22-Sep-20	40.97
Brent Crude Oil	November	30-Sep-20	43.30
Natural Gas	October	28-Sep-20	2.04

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.60
Dollar Index	92.90
EUR / USD	1.18
CRB Index	159.06

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6761.00
Aluminum	Cash	1743.50
Zinc	Cash	2466.50
Lead	Cash	1851.00
Nickel	Cash	14895.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Oct-20	51490.00
Aluminum	15-Oct-20	14520.00
Zinc	15-Oct-20	19845.00
Lead	15-Oct-20	14920.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Sept-20	531.55	Up	07.04.20	392.00	450.00
Aluminum	30-Sept-20	144.25	Up	10.06.20	138.40	132.00
Zinc	30-Sept-20	195.30	Up	11.05.20	156.60	150.00
Lead	30-Sept-20	148.10	Up	28.07.20	148.05	140.00
Nickel	30-Sept-20	1107.70	Up	22.07.20	1026.60	1050.00
Steel long (ICEX)	5-Oct-20	33060.00	Sideways	16.06.20	30210.00	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Sept-20	529.25	Up	07.04.20	392.00	450.00
Aluminum	30-Sept-20	144.95	Up	10.06.20	138.40	132.00
Zinc	30-Sept-20	195.35	Up	11.05.20	156.60	150.00
Lead	30-Sept-20	147.50	Up	28.07.20	148.05	140.00
Nickel	30-Sept-20	1115.80	Up	22.07.20	1026.60	1050.00
Steel long (ICEX)	5-Oct-20	33060.00	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 17.09.20

Market Update (Bullions)

Bullion counter may post correction from higher levels where Gold may test 50600 and facing resistance near 51780 while silver may test 66800 and facing resistance near 68690. Gold prices rose on Friday as the dollar slipped, while lacklustre U.S. employment data and vows by major central banks to roll out further stimulus if required to revive their coronavirus-hit economies also bolstered the metal's appeal. U.S. gold futures were up 0.6% at \$1,960.80. The dollar index was down 0.1% against its rivals, making gold more attractive for buyers holding other currencies. The weekly jobless claims report from the U.S. Labor Department, the most timely data on the economy's health, showed nearly 30 million people were on unemployment benefits at the end of August, laying bare the continuing economic and human devastation from the coronavirus crisis. The Bank of England said it was looking more closely at how it might cut interest rates below zero as Britain's economy faces a triple whammy of rising COVID-19 cases, higher unemployment and a possible new Brexit shock. The Bank of Japan kept monetary policy steady and signalled readiness to ramp up stimulus if job losses from the pandemic heightened the risk of deflation. Swiss exports of gold to the United States all but halted in August while shipments to China and India rose, customs data showed, suggesting a big transfer of bullion to New York that followed the pandemic has run its course. Silver fell 0.5% to \$26.97 per ounce.

Market Update (Base Metals)

Base metals may trade with bullish bias where Copper can move towards 534 and taking support near 527. Shanghai base metals cruised higher for the most part on Friday morning, and the LME complex also rose broadly, as uncertainty over the economic outlook weighed on US dollar index. Copper prices were steady in choppy trade on Thursday as high levels of U.S. unemployment took the steam out of a dollar rally a day after an upbeat reading of economic recovery in the world's top economy. Data showing high levels of U.S. weekly jobless claims halted a rally in the dollar that was initially triggered by the U.S. Federal Reserve saying it expects economic growth to improve faster than previously forecast. U.S.-China tensions will likely have an impact on metals markets going forward and could flare up even more after the U.S. election as both candidates have said they want to limit China's influence in the world. Zinc may move towards 198 and taking support near 193. Lead can move towards 150 while taking support near 145. Nickel trade bullish bias where it may take support near 1089 and resistance near 1125. Tesla is in talks with Giga Metals for the development of a large nickel mine in Canada. The Turnagain mine in British Columbia has indicated resources of 2.36 mln tn of nickel and 141,000 tn of cobalt. Aluminum may move towards 146 while taking support near 143. The US is dropping plans for a 10% tariff on certain types of Canadian aluminium that President Donald Trump announced just last month.

Market Update (Energy)

Crude oil may trade with sideways to bullish bias where it may take support near 2870 and resistance is seen near 3140. Oil prices drifted lower on Friday, pausing after three days of gains, as producers prepared to resume operations in the Gulf of Mexico and data showed Saudi Arabian exports rose from record lows. Both contracts have risen sharply this week as Hurricane Sally cut U.S. production and are on track for a weekly gain of around 9%, the first in three weeks. In Saudi Arabia exports rose in July to 5.73 million barrels per day (bpd) from a record low the previous month, official data showed on Thursday. Supporting prices, OPEC and its allies said on Thursday the group will take action on members that are not complying with deep output cuts to support the market following a coronavirus-led slump in fuel demand. The Organization of the Petroleum Exporting Countries (OPEC) and other producers such as Russia, making up the so-called OPEC+ group, are cutting 7.7 million barrels a day of output to support prices. Natural gas may extend bearish rally towards support where resistance is seen near 154 and support near 142.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
19:30	US Michigan Consumer Expectations (Sep)	High	67.8	68.5	Metal & Energy	Adverse
19:30	US Michigan Consumer Sentiment (Sep)	High	75.0	74.1	Metal & 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.