

## COMMODITY DAILY REPORT (Metals & Energy)

6th December, 2018

### INTERNATIONAL MARKETS

#### COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Dec	27-Dec-18	14.46
Gold	Dec	27-Dec-18	1237.10
Crude Oil	Jan	19-Dec-18	52.89
Brent Crude Oil	Feb	28-Dec-18	61.56
Natural Gas	Jan	27-Dec-18	4.47

Closing as on 05.12.18

#### CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	70.55
Dollar Index	97.00
EUR / USD	1.1344
CRB Index	190.47

\*Closing as on 05.12.18

#### LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	6162.00
Aluminum	Cash	1966.50
Zinc	Cash	2705.50
Lead	Cash	1976.00
Nickel	Cash	11020.00

Closing as on 05.12.18

#### SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	Dec	49280.00
Aluminum	Dec	13690.00
Zinc	Dec	21500.00
Lead	Dec	18900.00

Closing as on 05.12.18

### DOMESTIC MARKETS

#### MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Mar -19	37426.00	Sideways	04.12.18	37481.00	-
Gold	5-Feb -19	31075.00	Down	09.11.18	31016.00	31200.00
Crude Oil	18-Dec-18	3802.00	Down	23.10.18	4887.00	3950.00
Natural gas	26-Dec-18	314.20	Sideways	15.11.18	295.70	-

Closing as on 05.12.18

#### MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	28-Feb-19	437.20	Down	30.10.18	434.70	446.00
Aluminum	31-Dec-18	140.05	Down	30.10.18	145.05	143.00
Zinc	31-Dec-18	188.70	Sideways	31.10.18	187.00	-
Lead	31-Dec-18	140.85	Sideways	04.12.18	141.10	-
<b>Nickel</b>	<b>31-Dec-18</b>	<b>793.10</b>	<b>Sideways</b>	<b>05.12.18</b>	<b>793.10</b>	<b>-</b>

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

Closing as on 05.12.18

### Market Update (Bullions)

Bullion counter may trade with sideways bias as gold prices edged higher early on Thursday as the dollar eased amid a spike in risk aversion, Gold (Feb) can take support near 30800 and can face resistance near 31300 in MCX. While silver (Mar) can take support near 37100 and can face resistance near 37600. The dollar, which has enjoyed an unrivalled surge against its peers this year, will be undermined in 2019 on increasing concerns about slowing U.S. economic growth. Tariff-driven price increases have spread more broadly through the U.S. economy, though on balance inflation has risen at a modest pace in most parts of the country, the Federal Reserve said on Wednesday in its latest report on the economy. Prime Minister Theresa May's Brexit deal came under fire from allies and opponents alike on Wednesday after the government was forced to publish legal advice showing the United Kingdom could be locked indefinitely in the European Union's orbit.

### Market Update (Base Metals)

Base metals prices may witness selling pressure at higher levels. Prices of non-ferrous metals extended losses on Thursday, as worries over weak demand caused by Sino-U.S. trade tensions persisted. China and the United States agreed to a truce in their months-long trade war on Saturday, with U.S. President Donald Trump agreeing to refrain from raising tariffs on Jan. 1. But he has also warned that the U.S. will revert to tariffs if the two sides cannot resolve their differences before the stipulated 90 days. Copper can face resistance near 442 and can take support near 427. The most-traded copper contracts for February delivery on the Shanghai Futures Exchange dipped 0.7 percent to 49,100 yuan (\$7,163.07) a tonne. Zinc can face resistance near 190 and support near 184. Lead can take support near 136 and can face resistance near 142. Nickel can take support near 785 while its upside will be capped near 815. Nickel on Wednesday said it had received approval from the government of Western Australian to develop a nickel mine in the state that will feed its Nickel West battery chemicals business. Aluminium can take support near 139 levels while it has resistance near 141 levels.

### Market Update (Energy)

Crude oil may open in red as oil prices dipped on Thursday in tepid trading ahead of a meeting by producer group OPEC that is expected to result in a supply cut aimed at draining a glut that has pulled down crude prices by 30 percent since October. Since early October, crude oil has lost around 30 percent of its value amid surging supply and fears that an economic downturn will erode fuel demand. Crude oil can take support near 3650 and resistance near 3880 in MCX. The Organization of the Petroleum Exporting Countries (OPEC) is meeting at its headquarters in Vienna, Austria, on Thursday to decide its production policy. Led by Saudi Arabia, OPEC's crude oil production Total has risen by 4.1 percent since mid-2018, to 33.31 million barrels per day (bpd). Russia, a major oil producer but not a member of OPEC, will meet with the producer cartel on Friday to discuss production levels, and it is widely expected that a supply cut will be agreed. Natural gas (Dec) may trade sideways as it can move in range of 305-320 in MCX. Weeks of extreme volatility persisted in the U.S. natural gas market even though futures were little changed on Wednesday as a decline in production offset forecasts for warmer weather in coming weeks.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable/Neutral
19:00	US Initial Jobless Claims	High	226K	234K	Metal and Energy	Favourable
20:30	US Factory Orders (MoM) (Oct)	High	-1.90%	0.70%	Metal and Energy	Adverse
20:30	ISM Non-Manufacturing PMI (Nov)	High	59.2	60.3	Metal and Energy	Adverse
21:00	EIA Natural Gas Storage	High		-59B	Natural gas	
21:30	EIA Crude Oil Inventories	High	-0.942M	3.577M	Crude oil	Favourable
21:30	EIA Gasoline Inventories	High	1.300M	-0.764M	Crude oil	Adverse

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