

COMMODITY DAILY REPORT (Metals & Energy)

6th May, 2021

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	May	28-Jul-21	26.52
Gold	Jun	28-Jun-21	1784.30
Crude Oil	Jun	20-May-21	65.63
Brent Crude Oil	Jun	30-Apr-21	68.96
Natural Gas	May	28-Apr-21	2.94

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.80
Dollar Index	91.26
EUR / USD	1.20
CRB Index	215.15

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	9949.00
Aluminum	Cash	2445.00
Zinc	Cash	2904.00
Lead	Cash	2117.00
Nickel	Cash	17477.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	17-May-21	71760.00
Aluminum	17-May-21	18860.00
Zinc	17-May-21	21910.00
Lead	17-May-21	15095.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	26-May-21	14736.00	Down	17.03.21	14279.00	14880.00
Silver	5-Jul-21	69619.00	Sideways	23.03.21	64972.00	
Gold	4-Jun-21	47000.00	Up	08.04.21	46838.00	43200.00
Crude Oil	19-May-21	4826.00	Up	24.11.20	3333.00	4050.00
Natural gas	25-May-21	218.20	Sideways	23.12.20	191.90	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Apr-21	761.10	Sideways	16.03.21	669.30	-
Aluminum	30-Apr-21	196.40	Up	10.06.20	138.40	166.00
Zinc	30-Apr-21	232.45	Up	11.05.20	156.60	205.00
Lead	30-Apr-21	174.30	Sideways	12.03.21	160.00	-
Nickel	30-Apr-21	1332.60	Up	08.04.21	1270.90	1140.00
MetIdx	20-May-21	15295.00	Up	16.11.20	12939.00	13000.0

**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 05.05.21

Market Update (Bullions)

Bullion counter may trade with bullish bias where Gold may find support near 46900 and facing resistance near 47200 while Silver (May) may trade with sideways to bullish bias where it may find support near 69100 and facing resistance near 70200. Gold prices inched lower on Thursday due to a stronger dollar, while investors awaited the release of U.S. non-farm payrolls data for April due later this week. Spot gold XAU= was down 0.1% at \$1,785.05 per ounce. U.S gold futures were steady at \$1,785.10 per ounce. The dollar index hovered close to a two-week high, making gold more expensive for other currency holders. U.S. private payrolls surged by the most in seven months in April as companies rushed to boost production amid a surge in demand, suggesting the economy gained further momentum early in the second quarter, powered by massive government aid and rising COVID-19 vaccinations. Investors look forward to Friday's U.S. monthly jobs report, which is expected to show nonfarm payrolls increased by 978,000 jobs last month. The U.S. economy may be growing more quickly and unemployment falling faster than the core of Federal Reserve policymakers projected in March, Fed Governor Michelle Bowman said on Wednesday. The Bank of England will say on Thursday Britain's economy is heading for a much stronger recovery this year than it previously expected and it might start to slow its pandemic emergency support. Silver was down 0.5% at \$26.37 per ounce.

Market Update (Base Metals)

Base metals may trade with bullish bias where buying is expected in Copper (May) support holds at 758 whereas resistance near 768. Copper hit a fresh 10-year high on Wednesday as some of the world's largest economies showed signs recovery from the COVID-19 impact, boosting expectations of increased demand. Benchmark three-month copper on the London Metal Exchange (LME) touched \$10,040 a tonne, its highest since Feb. 2011 when the contract hit a record of \$10,190 a tonne. The copper price rally spurred a rebound in global smelting activity in April from the lowest levels in at least five years in the previous month, data from satellite surveillance of copper plants showed. Zinc (May) may witness buying pressure and move towards 234 and taking support near 230. Lead (May) also follows the footsteps of other base metals and may move towards 176 while taking support near 172. Nickel (May) may witness buying pressure from lower levels, support for counter holds near 1324 whereas resistance near 1360. Global nickel demand is seen rising 11.7% year-on-year to 2.67 million tonnes in 2021, while output is expected to rise 9.2% within the same period to 2.72 million tonnes. The strength is a result of the weakness in the US dollar and this is especially after the Fed statement where Powell said that economic recovery requires further support. The metals are taking positive cues from there. Also, the US and China recovery has been stronger, demand has continued to go up, economic data has been positive as well especially for these two consuming countries and that is taking the price higher. Aluminum (May) may trade with sideways to bullish bias where support holds near 195 and resistance near 198. Shanghai aluminium rose to a near 10-year high while London prices also advanced amid speculation top producer China will limit output to meet its green targets. Combined aluminium inventories in LME and ShFE warehouses have fallen 4.5% since a near-three-year high level hit on March 19, but current stockpiles of 2.23 million tonnes were still 43% higher than the beginning of the year.

Market Update (Energy)

Crude oil may witness buying from lower levels where support is seen near 4780 and resistance is seen near 4890. Oil prices fell on Thursday as gasoline inventories in the United States, the world's largest oil consumer, rose for a fifth consecutive week although a draw in crude stockpiles helped to underpin prices. Both Brent and U.S. crude futures hit their highest since mid-March on Wednesday before retreating. The \$70-per-barrel mark has acted as a barrier for the market since Brent broke just above that level in March, with investors unwilling to push oil higher as COVID-19 cases increase in parts of the world. U.S. crude stocks fell last week more than expected as refining output rose and exports surged, the Energy Information Administration said on Wednesday. Crude inventories fell by 8 million barrels in the week to April 30 to 485.1 million barrels, compared with expectations in a Reuters poll for a 2.3 million-barrel drop. Pandemic-related restrictions in the United States and parts of Europe are easing, but infections are still on the rise in major crude oil importers India and Japan, weighing on prices. Meanwhile, militants using bombs attacked two oil wells at an oilfield close to the northern Iraqi city of Kirkuk on Wednesday, killing at least one policeman and setting off fires, the country's oil ministry said. Natural Gas (May) may extend gains where it may take support near 216 and could face resistance near 223.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable /Neutral
18:00	Initial Jobless Claims	HIGH	540K	553K	Bullion & Metals	Favorable
20:00	Natural Gas Storage	HIGH	64B	15B	Energy	Adverse

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