

## COMMODITY DAILY REPORT (Metals & Energy)

20th January, 2021

### INTERNATIONAL MARKETS

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	January	27-Jan-21	25.32
Gold	January	27-Jan-21	1840.20
Crude Oil	February	20-Jan-21	52.98
Brent Crude Oil	March	29-Jan-21	55.90
Natural Gas	January	27-Jan-21	2.55

#### CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.19
Dollar Index	90.42
EUR / USD	1.21
CRB Index	186.22

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

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	7986.50
Aluminum	Cash	1951.50
Zinc	Cash	2652.00
Lead	Cash	1987.00
Nickel	Cash	18075.00

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

COMMODITY	MONTH	CLOSING PRICE
Copper	5-Feb-21	58800.00
Aluminum	5-Feb-21	14835.00
Zinc	5-Feb-21	14860.00
Lead	5-Feb-21	20300.00

### DOMESTIC MARKETS

#### MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	27-Jan-21	15270.00	Sideways	25.08.20	15750.00	-
Silver	5-Mar-21	66036.00	Up	18.05.20	47698.00	65000.00
Gold	5-Feb-21	48983.00	Up	08.12.20	50109.00	48500.00
Crude Oil	19-Feb-21	3888.00	Up	24.11.20	3333.00	3500.00
Natural gas	25-Jan-21	187.50	Sideways	23.12.20	191.90	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	29-Jan-21	610.25	Up	12.10.20	525.00	570.00
Aluminum	29-Jan-21	161.75	Up	10.06.20	138.40	155.00
Zinc	29-Jan-21	217.15	Up	11.05.20	156.60	200.00
Lead	29-Jan-21	166.30	Up	28.07.20	148.05	150.00
Nickel	29-Jan-21	1323.50	Up	04.01.21	1269.30	1240.00
MetIdx	17-Feb-21	13750.00	Up	16.11.20	12939.00	13000.00

\*\*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 19.01.21**

### Market Update (Bullions)

Bullion counter may continue to trade with bullish bias where Gold may find support near 48900 and facing resistance near 49400 while silver may trade with higher volatility where it may find support near 65700 and facing resistance near 66690. Gold prices edged higher on Wednesday as the dollar weakened after U.S. Treasury Secretary nominee Janet Yellen urged lawmakers for more coronavirus relief spending, lifting bullion's appeal as an inflation hedge. Spot gold rose 0.2% to \$1,842.02 per ounce. U.S. gold futures gained 0.1% to \$1,842.50. Yellen on Tuesday argued that the economic benefits of a large stimulus will far outweigh the risks of a higher debt burden. The dollar dropped for a second straight session on Tuesday, while most U.S. Treasury yields fell after Yellen commented in her hearing that tax cuts enacted in 2017 for large corporations should be repealed. President-elect Joe Biden will be sworn into office on Wednesday and investors will be focused on his \$1.9 trillion stimulus package proposal to boost the economy and speed up the distribution of vaccines. Bank of England chief economist Andy Haldane said on Tuesday that he expected Britain's economy to begin to recover "at a rate of knots" from the second quarter of this year, as vaccines against COVID-19 are rolled out. SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, said its holdings fell 0.3% to 1,174.13 tonnes on Tuesday from 1,177.63 tonnes on Friday. Silver climbed 0.3% to \$25.26 an ounce.

### Market Update (Base Metals)

Base metals may trade with bullish bias where Copper can move towards 613 and taking support near 608. Shanghai base metals were mostly higher on Wednesday morning as investors waited for the release of China's latest benchmark lending rate. Meanwhile, their counterparts on the LME also rose for the most part. China on Tuesday reported the worst outbreak of COVID-19 since March 2020 and virus infections in other major economies remained high, risking further movement curbs that could dampen the global economic recovery. Zinc may move towards 219 and taking support near 216. Lead can move towards 168 while taking support near 165. Galvanising producers in north China suspended production earlier than in previous years due to resurgence of COVID-19 cases. Weak consumption may weigh on zinc prices in the near term. Nickel trade with sideways to bullish bias where it may take support near 1312 and resistance near 1335. Major producer the Philippines ordered a halt on mining on an island that is home to some projects. Eramet warned that its New Caledonia subsidiary SLN, the world's fourth-largest nickel producer, was at risk of liquidation within weeks if protests continue to disrupt its operations. Aluminum may move to 163 while taking support near 160. China produced 37.08 million tonnes of aluminium in 2020, setting an annual record as smelters cashed in on soaring prices, with December output also hitting a monthly all-time high even as the rally cooled.

### Market Update (Energy)

Crude oil may trade with sideways to bullish bias where support is seen near 3830 and resistance is seen near 3940. Oil prices rose in early trade on Wednesday, adding to solid gains overnight, on expectations the incoming U.S. administration will go ahead with massive stimulus spending that would boost fuel demand and draw down crude stocks. The oil market continued to rise despite the International Energy Agency having cut its outlook for first-quarter oil demand by 580,000 barrels per day, due to tight lockdowns in Europe and border closures to stop soaring COVID-19 infections. Investors are watching out for U.S. President-elect Biden's inauguration speech on Wednesday for details on the country's \$1.9 trillion aid package. Oil prices have also been supported by Saudi Arabia's additional supply cuts in the next two months which are expected to draw down global inventories by 1.1 million barrels per day in the first quarter. Concerns about rising COVID-19 cases globally and renewed lockdowns weighing down fuel demand kept a lid on oil prices. Germany on Tuesday extended a lockdown for most shops and schools for another two weeks, to Feb. 14. Natural gas may trade with higher volatility where resistance is seen near 192 and support near 185. Natural gas prices broke down on Tuesday, as the cold weather that was expected to move into the U.S. failed to come about. While the weather is expected to be cooler than normal across the west coast over the next 6-10 days, its expected to turn warmer than normal across most of the mid-west during the next 8-14 days.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable /Neutral
	No Economic releases					

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