

## COMMODITY DAILY REPORT (Metals & Energy)

11th August, 2020

### INTERNATIONAL MARKETS

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	September	28-Sep-20	29.26
Gold	October	28-Oct-20	2030.30
Crude Oil	September	20-Aug-20	41.94
Brent Crude Oil	September	28-Aug-20	44.99
Natural Gas	September	27-Aug-20	2.15

#### CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	74.87
Dollar Index	93.63
EUR / USD	1.17
CRB Index	15.98

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

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6363.00
Aluminum	Cash	1730.00
Zinc	Cash	2368.50
Lead	Cash	1880.00
Nickel	Cash	14146.00

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

COMMODITY	MONTH	CLOSING PRICE
Copper	17-Aug-20	50190.00
Aluminum	17-Aug-20	14525.00
Zinc	17-Aug-20	19275.00
Lead	17-Aug-20	16190.00

### DOMESTIC MARKETS

#### MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	4-Sep-20	75394.00	Up	18.05.20	47698.00	50000.00
Gold	5-Oct-20	55166.00	Up	23.03.20	41163.00	45000.00
Crude Oil	19-Aug-20	3161.00	Up	05.05.20	1869.00	2860.00
Natural gas	26-Aug-20	160.70	Up	03.08.20	159.60	140.00
Diamond 1ct (ICEX) *	4-Sept-20	3324.85	Sideways	03.07.20	3697.35	

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	31-Aug-20	511.25	Up	07.04.20	392.00	450.00
Aluminum	31-Aug-20	146.85	Up	10.06.20	138.40	132.00
Zinc	31-Aug-20	189.50	Up	11.05.20	156.60	150.00
Lead	31-Aug-20	151.60	Up	28.07.20	148.05	140.00
Nickel	31-Aug-20	1086.50	Up	22.07.20	1026.60	975.00
Steel long (ICEX) *	4-Sept-20	31660.00	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 10.08.20

\*Closing prices as on 07.08.20

### Market Update (Bullions)

Bullion counter may pause the rally and post some correction where Gold may test 53800 and facing resistance near 55450 while silver may test 73500 and facing resistance near 76780. Gold prices fell on Tuesday, weighed down by a stronger dollar as investors focused on the fiscal stimulus plan in the United States and escalating U.S.-China tensions ahead of key trade talks later this week. U.S. gold futures eased 0.3% to \$2,033.60. Silver dropped 1.2% to \$28.81 per ounce. The dollar index rose 0.1% to hold near a one-week high against its rivals, making gold more expensive for holders of other currencies. China imposed sanctions on 11 U.S. citizens including lawmakers from President Donald Trump's Republican Party in response to Washington's imposition of sanctions on Hong Kong and Chinese officials accused of curtailing political freedoms in the former British colony. U.S. Treasury Secretary Steven Mnuchin said companies from China and other countries that do not comply with accounting standards will be delisted from U.S. stock exchanges as of the end of 2021. U.S. congressional leaders and Trump administration officials said on Monday they were ready to resume negotiations on a coronavirus aid deal, but talks remained deadlocked as Democrats said Republicans needed to meet them in the middle.

### Market Update (Base Metals)

Base metals may trade with sideways to bearish bias. Copper can move towards 507 and facing resistance near 514. Base metals were broadly lower on Tuesday as investors eye US stimulus package and US-China tensions. Only copper rose nearly 1% holding onto overnight gains. LME nonferrous metals were mixed and changes were less than 1%. The uncertainty of a new round of US economic stimulus package kept investors cautious about the economic situation, buoying US dollar index and weighing on base metals prices. Copper futures prices rebounded sharply on Monday on the back of a surge in Chinese imports of the metal widely used in industry and construction. China's unwrought copper imports (anodes and cathodes) in July rose a stunning 81% from the same month last year to 762,211 tonnes and a full 16% above the previous monthly record set in June. Zinc may move towards 186 and facing resistance near 192. Lead can move towards 154 while taking support near 149. Nickel trade bullish bias where it may take support near 1065 and resistance near 1110. The global primary nickel market to a 100,000t surplus this year — the market's first primary surplus since 2015 — from a 33,000-tonne deficit in 2019. Aluminum may move towards 149 while taking support near 144. Antaika sees China's aluminium consumption falling 1.7% to 36 million tonnes in 2020, versus a previous estimate of 36.6 million tonnes.

### Market Update (Energy)

Crude oil may trade with sideways to bullish bias where it may take support near 3040 and resistance is seen near 3260. Crude oil gained more ground on Tuesday, with prices underpinned by expectations of U.S. stimulus and a rebound in Asian demand as economies reopen. Prices found support after U.S. President Donald Trump tweeted that top congressional Democrats wanted to meet with him on coronavirus-related economic relief. At the same time, Saudi Arabian Aramco's Chief Executive Amin Nasser said he sees oil demand rebounding in Asia as economies gradually open up after the easing of coronavirus lockdowns. China's factory deflation eased in July, driven by a rise in global oil prices and as industrial activity climbed back towards pre-coronavirus levels, adding to signs of recovery in the world's second-largest economy. Natural gas correction seems completed may again bounce towards resistance where resistance is seen near 167 taking support near 156.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
18:00	US Core PPI (MoM) (Jul)	High	0.1%	-0.3%	Metal & Energy	Favourable
18:00	US Core PPI (YoY) (Jul)	High	0.4%	0.1%	Metal & Energy	Favourable
18:00	US PPI (MoM) (Jul)	High	0.3%	-0.2%	Metal & Energy	Favourable
18:00	US PPI (YoY) (Jul)	High	-0.7%	-0.8%	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.