

COMMODITY DAILY REPORT (Metals & Energy)

21st June, 2021

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Jul	28-Jul-21	25.97
Gold	Jun	28-Jun-21	1767.90
Crude Oil	Jul	22-Jun-21	71.64
Brent Crude Oil	Aug	30-Jun-21	73.51
Natural Gas	Jul	28-Jun-21	3.22

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	74.10
Dollar Index	92.26
EUR / USD	1.19
CRB Index	217.05

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	9206.00
Aluminum	Cash	2374.00
Zinc	Cash	2873.00
Lead	Cash	2130.50
Nickel	Cash	17320.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Jul-21	67830.00
Aluminum	15-Jul-21	18470.00
Zinc	15-Jul-21	22105.00
Lead	15-Jul-21	15140.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	24-Jun-21	14452.00	Sideways	17.03.21	14279.00	-
Silver	5-Jul-21	67598.00	Sideways	18.06.21	67598.00	-
Gold	5-Aug-21	46728.00	Up	08.04.21	46838.00	46500.00
Crude Oil	21-Jun-21	5301.00	Up	24.11.20	3333.00	4800.00
Natural gas	25-Jun-21	238.80	Up	16.04.21	200.20	210.00

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Jun-21	693.10	Sideways	16.03.21	669.30	-
Aluminum	30-Jun-21	190.15	Up	10.06.20	138.40	175.00
Zinc	30-Jun-21	230.30	Up	11.05.20	156.60	220.00
Lead	30-Jun-21	171.40	Sideways	12.03.21	160.00	-
Nickel	30-Jun-21	1274.50	Sideways	15.06.21	1293.60	-
MetIdx	21-June-21	14421.00	Sideways	15.06.21	14827.00	-

**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 18.06.21

Market Update (Bullions)

Gold may post short covering but main trend remains bearish where it may take support near 46400 and could face resistance near 46900. Silver also post short covering where it may take support near 67100 whereas facing resistance near 68200. Gold prices firmed on Monday, after posting a 6% drop last week, as a retreat in U.S. Treasury yields boosted the allure of the non-yielding metal. Spot gold was up 0.5% at \$1,772.34 per ounce. U.S. gold futures edged 0.2% higher to \$1,772 per ounce. The benchmark U.S. Treasury yields fell to their lowest since March 3, reducing the opportunity cost of holding bullion, which pays no return. The U.S. dollar held near multi-month peaks against other major currencies on Monday, after the Fed surprised markets last week by signalling it would raise interest rates and end emergency bond-buying sooner than expected. Minneapolis Federal Reserve President Neel Kashkari said on Friday he wants to keep the U.S. central bank's benchmark short-term interest rate near zero at least through the end of 2023 to allow the labour market to return to its pre-pandemic strength. SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, said its holdings rose 1.1% to 1,053.06 tonnes on Friday from 1,041.99 tonnes on Thursday. Gold purchases in India ticked up last week after a decline in local rates, although dealers cautioned that demand is unlikely to return to normal levels soon. Russia's gold reserves stood at 73.7 million troy ounces, as of the beginning of June, the central bank said on Friday. Silver was up 0.6% at \$25.95 per ounce.

Market Update (Base Metals)

Base metals may trade with bearish bias. Copper may trade with sideways to bearish bias where the support is seen near 688 and resistance near 695. Recent fall in base metals definitely a sigh of relief for the economies which are on expansion mode; including India. This fall will raise the physical demand of commodities and may make a gradual base for next upside. The prices may come under pressure as China will issue new rules on the management of price indexes for commodities and services as the government steps up scrutiny of the country's commodity markets and battles to contain inflation. The Chinese administration, which does not publish its reserve volumes, is estimated by Citigroup to hold 2 million tonnes of copper, 800,000 tonnes of aluminum, and 350,000 tonnes of zinc. Supply constraints and growing demand due to rapid economic recovery, especially in China, suggest that the industrial metal's run-up isn't over yet. Zinc may trade sideways to bearish bias support holds near 229 and resistance near 231. Lead may trade with trade with bearish bias support holds at 170 resistance at 173. As per ILZSG, global demand for refined zinc metal is forecast to rise by 4.3% to 13.78 million tonnes in 2021, after falling by 3.9% last year. Nickel may witness selling pressure and move towards its support of 1260 whereas resistance holds near 1290. Uncertainties about the extent of nickel demand and supply growth have created a volatile market. However, the long term outlook is still strong on the back of electrical vehicle demand. According to a Nornickel report, 2021 will see a surplus of 52,000 tonne which is less than the earlier estimate of 90,000 tonne. Aluminum may extend the bearish towards 188 whereas resistance is seen near 192.

Market Update (Energy)

Crude oil may continue to trade with bullish bias where support holds at 5280 and could face resistance near 5360. Oil prices nudged up on Monday, underpinned by strong demand during the summer driving season and a pause in talks to revive the Iran nuclear deal that could indicate a delay in resumption of supplies from the OPEC producer. Both benchmarks have gained for the past four weeks amid optimism over the pace of global vaccinations and a pick up in summer travel. The rebound has already pushed up spot premiums for crude in Asia and Europe to multi-month highs. Negotiations to revive the Iran nuclear deal took a pause on Sunday after hardline judge Ebrahim Raisi won Iran's presidential election amid a low turnout on Saturday. Two diplomats said they expected a break of around 10 days. The possibility of Iranian oil hitting the market in the short term looks unlikely while Iran is insisting that U.S. sanctions placed on Raisi be removed before an agreement is reached. Natural Gas may trade with bearish bias support at 235 and resistance near 241.. Natural gas futures finished lower last week after a failing to follow-through to the upside following a test of a multi-month high early in the week.

KEY ECONOMIC RELEASES

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

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.