

## COMMODITY DAILY REPORT (Metals & Energy)

21st September, 2020

### INTERNATIONAL MARKETS

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	September	28-Sep-20	27.03
Gold	October	28-Oct-20	1953.20
Crude Oil	October	22-Sep-20	41.11
Brent Crude Oil	November	30-Sep-20	43.15
Natural Gas	October	28-Sep-20	2.05

#### CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.54
Dollar Index	92.96
EUR / USD	1.18
CRB Index	160.17

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

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6833.50
Aluminum	Cash	1745.00
Zinc	Cash	2512.00
Lead	Cash	1889.00
Nickel	Cash	14908.00

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

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Oct-20	51990.00
Aluminum	15-Oct-20	14580.00
Zinc	15-Oct-20	20005.00
Lead	15-Oct-20	15070.00

### DOMESTIC MARKETS

#### MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Sep-20	16143.41	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	67877.00	Up	18.05.20	47698.00	50000.00
Gold	5-Oct-20	51715.00	Up	23.03.20	41163.00	45000.00
Crude Oil	21-Sep-20	2993.00	Sideways	08.09.20	2705.00	-
Natural gas	25-Sep-20	150.50	Up	03.08.20	159.60	140.00
Diamond 1ct (ICEX)	5-Oct-20	2965.10	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Sept-20	536.85	Up	07.04.20	392.00	450.00
Aluminum	30-Sept-20	144.45	Up	10.06.20	138.40	132.00
Zinc	30-Sept-20	197.85	Up	11.05.20	156.60	150.00
Lead	30-Sept-20	148.40	Up	28.07.20	148.05	140.00
Nickel	30-Sept-20	1090.80	Up	22.07.20	1026.60	1050.00
Steel long (ICEX)	5-Oct-20	33060.00	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 18.09.20**

### Market Update (Bullions)

Bullion counter may post correction from higher levels where Gold may test 50800 and facing resistance near 52100 while silver may test 66980 and facing resistance near 68400. Gold prices edged higher on Monday, propped up by a softer dollar while fresh coronavirus-induced curbs globally dented hopes of a swift economic recovery, with investor focus on speeches by Federal Reserve policymakers due this week. Spot gold rose 0.3% to \$1,954.65 per ounce. U.S. gold futures inched 0.1% lower to \$1,959.90. The dollar index was down 0.1% against its rivals, making gold more attractive for buyers holding other currencies. Fed policymakers on Friday began fleshing out what their new tolerance for inflation will mean in practice, an issue critical to how investors and households reshape their own outlooks even if it may not be relevant to any immediate decisions by the U.S. central bank. Investors are now looking forward to clues on Fed's monetary policy as a slew of policymakers are due to make public speeches, including Chairman Jerome Powell, who will appear before Congressional committees later this week. Gold speculators raised their net long position by 10,622 contracts to 165,251 in the week ended Sept. 15. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, rose 1.03% to 1,259.84 tonnes on Friday. Gold jewelers in India pinned hopes on an upcoming festive season, with dealers offering discounts for a fifth straight week to lure customers back to shops, as activity remained muted in Asian bullion hubs.

### Market Update (Base Metals)

Base metals may trade with bullish bias where Copper can move towards 540 and taking support near 531. Shanghai base metals were mostly higher on Monday morning, while their counterparts on the LME set for a mixed start, as China kept its loan prime rates unchanged. China's one-year and five-year Loan Prime Rate (LPR) on Monday were kept unchanged at 3.85% and 4.65%, respectively. The US Federal Reserve vowed last week to keep interest rates near zero to support the coronavirus-hit economy, and the Japanese and British central banks also decided to keep ample liquidity. However U.S.-China tensions will likely have an impact on metals markets going forward and could flare up even more after the U.S. election as both candidates have said they want to limit China's influence in the world. Zinc may move towards 199 and taking support near 196. Lead can move towards 151 while taking support near 146. Nickel trade bullish bias where it may take support near 1075 and resistance near 1120. Tanzania and Burundi are in talks over the construction of a joint nickel processing plant, Tanzania's President John Magufuli said on Saturday. Aluminum may move towards 146 while taking support near 143. China's aluminium smelting leviathan China Hongqiao Group Ltd. said last week it has begun the initial phase of production at an aluminium smelter in Yunnan that is powered via hydroelectricity.

### Market Update (Energy)

Crude oil may trade with sideways to bullish bias where it may take support near 2920 and resistance is seen near 3080. Oil prices fell on Monday on the potential return of oil output from Libya even as rising coronavirus cases add to worries about global demand, although losses were limited as a new tropical storm heads for the U.S. Gulf of Mexico. Libya's National Oil Corp (NOC) lifted force majeure on what it deemed secure oil ports and facilities on Saturday, but said the measure would remain in place for facilities where fighters remain. The resurgence in COVID-19 infections around the world has seen many governments halt the easing of restrictions. This has weighed on demand in Europe and the U.S. Britain is at a tipping point on COVID-19, health minister Matt Hancock said on Sunday, warning that a second national lockdown could be imposed if people don't follow government rules designed to stop the spread of the virus. Oil and gas producers had been restarting their offshore operations over the weekend after being disrupted by Sally. Some 17% of U.S. Gulf of Mexico offshore oil production and nearly 13% of natural gas output was offline on Saturday from Hurricane Sally's waves and winds. Natural gas may extend bearish rally towards support where resistance is seen near 153 and support near 145.

**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](mailto: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](http://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.