

COMMODITY DAILY REPORT (Metals & Energy)

12th July, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Sep	26-Sep-18	15.82
Gold	Aug	29-Aug-18	1244.40
Crude Oil	Aug	20-July-18	70.38
Brent Crude Oil	Sep	31-July-18	73.40
Natural Gas	Aug	27-July-18	2.83

Closing as on 11.07.18

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	68.73
Dollar Index	94.72
EUR / USD	1.1672
CRB Index	203.31

*Closing as on 11.07.18

LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	6182.00
Aluminum	Cash	2120.50
Zinc	Cash	2574.00
Lead	Cash	2244.00
Nickel	Cash	13630.00

Closing as on 11.07.18

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	July	47990.00
Aluminum	July	13825.00
Zinc	July	21115.00
Lead	July	20145.00

Closing as on 11.07.18

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Sep -18	39290.00	Up	04.07.18	39919.00	38900.00
Gold	3-Aug -18	30310.00	Down	15.06.18	31000.00	30700.00
Crude Oil	19-July -18	4900.00	Sideways	11.07.18	4900.00	-
Natural gas	26-July -18	195.10	Sideways	09.07.18	194.50	-

Closing as on 11.07.18

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	31-Aug-18	420.15	Down	18.06.18	468.75	440.00
Aluminum	31-July-18	141.95	Down	23.04.18	151.00	149.00
Zinc	31-July-18	177.10	Down	21.06.18	201.60	189.00
Lead	31-July-18	151.30	Down	21.08.18	161.90	162.00
Nickel	31-July-18	958.60	Down	04.07.18	970.90	985.00

**One has to follow the trend and see the price only at closing. This is not for Intra day trading.

Closing as on 11.07.18

Market Update (Bullions)

Bullion counter may trade with weak path as greenback strengthened amid intensifying trade war between the world's two biggest economies. The dollar index, which measures the greenback against a basket of six major currencies, was flat nearly at 94.73. The fact that investors are siphoning money out of stocks is not helping gold, with the safe-haven asset suffering as people wary of a global trade war flock to the US dollar. US fund investors pulled \$1 billion from commodity funds, including those invested in the precious metal, the largest withdrawals since July 2017. China accused the United States of bullying and warned it would hit back after the Trump administration raised the stakes in their trade dispute, threatening 10 per cent tariffs on \$200 billion of Chinese goods in a move that rattled global markets. Gold can take support near 30200 and can face resistance near 30500 in MCX. Meanwhile Silver can take support near 39000 and resistance near 39500. European Central Bank policymakers are split over when the ECB might raise interest rates next year, with some saying an increase is possible as early as July 2019 and others ruling out a move until autumn, according to several sources.

Market Update (Base Metals)

Base metals counter may open sharply lower amid trade war tensions between US and China. Copper can slip lower towards 415 while its upside will be capped near 428. Yesterday was the ninth down day of the last 10 trading sessions for copper. The bellwether metal has declined by 18.5% just over the last month, dragging the base metal complex down with it. The trade dispute between the US and China, responsible for half the world's consumption of copper, is quickly escalating and comes on top of sliding indicators of manufacturing and industrial activity in China. Beijing was considering steps including holding up licenses for US companies, delaying approvals of mergers involving US firms and stepping up border inspections of American goods. Zinc can face resistance near 181 and support near 174 while lead can take support near 149 and can face resistance near 153. Zinc fell to 13-month lows amid a broad selloff on Wednesday after the Trump administration said it would slap 10% tariffs on an extra \$200-billion worth of Chinese imports. Nickel may slip lower towards 945 while upside will be capped near 970. Aluminium can face resistance near 140 while it can take support near 145 in MCX.

Market Update (Energy)

Crude oil may witness some short covering as oil prices fell sharply on Wednesday on news that Libya was suddenly set to restore hundreds of thousands of barrels per day, and the U.S. struck a softer line on Iran sanctions. Crude oil can take support near 4850 and may face resistance near 4960 in MCX. Brent sank more than 6 percent during midday trading on Wednesday, as Libya's National Oil Corp. (NOC) said that it would lift the force majeure on several major export terminals and resume shipments of oil. The standoff with General Khalid Haftar appeared to be on its way to some sort of resolution, with the militia handing the ports back over to the internationally-recognized NOC in Tripoli. As is always the case with Libya, the situation is fluid, and any return of production does not come with a guarantee that it will be sustained. The outage in Libya had helped drive up oil prices over the past few weeks, fueling speculation that Saudi Arabia would need to burn through much of its spare capacity in order to keep the market well-supplied. Natural gas may trade with positive bias as it can recover towards 198 in MCX. Today weekly inventory data can show decline in stockpiles which can support its prices.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
18:00	US Core CPI (MoM) (Jun)	High	0.20%	0.20%	Metal and Energy	Neutral
18:00	US Initial Jobless Claims	High	226K	231K	Metal and Energy	Favourable
20:00	EIA Natural Gas Storage	High	55B	78B	Metal and Energy	Favourable

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