

**COMMODITY DAILY REPORT (Metals & Energy)**

**17th May, 2018**

**INTERNATIONAL MARKETS**

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	July	27-Jul-18	16.37
Gold	June	27-Jun-18	1291.50
Crude Oil	June	20-May-18	71.49
Brent Crude Oil	July	31-May-18	79.28
Natural Gas	June	29-May-18	2.82

Closing as on 16.05.18

**CURRENCY / COMMODITY INDEX**

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	67.77
Dollar Index	93.28
EUR / USD	1.1807
CRB Index	207.98

\*Closing as on 16.05.18

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

COMMODITY		CLOSING PRICE
Copper	Cash	6773.50
Aluminum	Cash	2319.50
Zinc	Cash	3055.00
Lead	Cash	2321.00
Nickel	Cash	14410.00

Closing as on 16.05.18

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

COMMODITY	MONTH	CLOSING PRICE
Copper	June	50780.00
Aluminum	June	14680.00
Zinc	June	23890.00
Lead	June	19335.00

Closing as on 16.05.18

**DOMESTIC MARKETS**

**MCX (BULLIONS AND ENERGY )**

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Jul -18	39974.00	Up	10.05.18	40390.00	39500.00
Gold	5-Jun -18	30997.00	Up	10.05.18	31365.00	30800.00
Crude Oil	21-May -18	4820.00	Up	09.05.18	4799.00	4650.00
Natural gas	25-May -18	191.20	Up	23.04.18	182.30	183.00

Closing as on 16.05.18

**MCX (BASE METALS)**

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	29-Jun-18	461.85	Up	18.04.18	459.10	455.00
Aluminum	31-May-18	158.60	Down	23.04.18	151.00	162.00
Zinc	31-May-18	208.60	Down	03.05.18	200.35	211.00
Lead	31-May-18	158.30	Up	14.05.18	161.05	154.00
<b>Nickel</b>	<b>31-May-18</b>	<b>978.20</b>	<b>Sideways</b>	<b>16.05.18</b>	<b>978.20</b>	<b>-</b>

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

Closing as on 16.05.18

### Market Update (Bullions)

Bullion counter may witness some short covering on expected increase in jobless claim figures later today and slight profit booking in greenback. Gold prices were mostly steady on Thursday after touching their lowest level this year in the previous session, with the U.S. dollar hovering below its 2018-peak. The dollar index which measures the greenback against a basket of six major currencies eased 0.1 percent to 93.315, after hitting the highest level for the year in the last session. On domestic bourses weakness in local currency has capped the downside to larger extent. Gold can take support near 30850 and can face resistance near 31150 in MCX. Meanwhile silver can take support near 39700 and can face resistance near 40200. U.S. President Donald Trump acknowledged on Wednesday it was unclear if his summit with North Korea would go ahead after Pyongyang threatened to pull out of the unprecedented meeting, a move that could deny him a potentially major foreign policy achievement. St. Louis Federal Reserve Bank President James Bullard on Wednesday said he believes the Fed's policy rate is "pretty close" to neutral, and that further rate hikes would act to slow economic growth and push downward on inflation.

### Market Update (Base Metals)

In base metals copper and zinc along with nickel can show lower level buying. Foreign direct investment into China in April fell 1.1 percent year-on-year to 59.24 billion yuan (\$9.31 billion), China's Ministry of Commerce said. Copper may take support near 460 and can recover towards 466. The United States and China launch trade talks on Thursday in a bid to avert a damaging tariff war, with the White House's harshest China critic relegated to a supporting role, senior Trump administration officials said on Wednesday. European leaders sought unity on Wednesday towards threatened U.S. import tariffs on steel and aluminium, balancing the views of those most fearful of a trade war and those determined not to be bullied into concessions. Zinc can trade sideways as it can take support near 207 and resistance near 210 while lead can also trade in sideways as it can take support near 156 and resistance near 160. Nickel can take support near 970 and recover towards 995. Aluminium may move in range of 157-160 in MCX.

### Market Update (Energy)

Crude oil may open in green and extend yesterday gains as it can take support near 4780 and recover towards 4850 in MCX. Oil prices firmed on Thursday, with Brent crude creeping ever closer to \$80 per barrel, a level it has not seen since November 2014, as supplies tighten while demand remains strong. Brent was "now threatening to break through \$80 per barrel as geopolitical risks continues to support prices, (and) an unexpected fall in inventories in the U.S. got investors excited yesterday." U.S. crude inventories dropped by 1.4 million barrels in the week to May 11, to 432.34 million barrels. The International Energy Agency (IEA) said on Wednesday that it had lowered its global oil demand growth forecast for 2018 from 1.5 million barrels per day (bpd) to 1.4 million bpd. Natural gas can trade sideways as it has support near 190 and resistance of 195 in MCX. Today investors will eye the outcome of weekly inventory data later today which can show increase in figures. U.S. natural gas futures on Wednesday edged down after visiting more than three-month highs hit in the previous session as investors booked profits amid expectations of lower cooling demand next week.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
18:00	US Initial Jobless Claims	Med	215K	211K	Metal and Energy	Adverse
18:00	US Philadelphia Fed Manufacturing Index (May)	Med	21	23.2	Metal and Energy	Adverse
20:00	EIA Natural Gas Storage	Med	105B	89B	Natural gas	Adverse

Vandana Bharti (AVP - Commodity Research)  
Sandeep Joon Sr. Research Analyst (Metal & Energy)

Boardline : 011-30111000 Extn: 625  
Boardline : 011-30111000 Extn: 683

vandanabharti@smcindiaonline.com  
sandeepjoon@smcindiaonline.com

E-mail: [researchfeedback@smcindiaonline.com](mailto:researchfeedback@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.