

COMMODITY DAILY REPORT (Metals & Energy)

12th November, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.27
Gold	December	29-Dec-20	1861.60
Crude Oil	December	20-Nov-20	41.45
Brent Crude Oil	December	30-Nov-20	44.08
Natural Gas	December	25-Nov-20	3.03

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	74.44
Dollar Index	92.99
EUR / USD	1.18
CRB Index	163.14

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6912.50
Aluminum	Cash	1905.00
Zinc	Cash	2630.50
Lead	Cash	1849.50
Nickel	Cash	15807.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51800.00
Aluminum	16-Nov-20	15325.00
Zinc	16-Nov-20	20240.00
Lead	16-Nov-20	14570.00

DOMESTIC MARKETS

MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Nov-20	15459.53	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	62541.00	Up	18.05.20	47698.00	58200.00
Gold	4-Dec-20	50169.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Nov-20	3124.00	Sideways	08.09.20	2705	-
Natural gas	24-Nov-20	219.20	Up	23.09.20	154.20	200.00
Diamond 1ct (ICEX)	4-Dec-20	3544.25	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	27-Nov-20	533.95	Up	12.10.20	525.00	490.00
Aluminum	27-Nov-20	157.55	Up	10.06.20	138.40	136.00
Zinc	27-Nov-20	209.50	Up	11.05.20	156.60	182.00
Lead	27-Nov-20	152.45	Up	28.07.20	148.05	140.00
Nickel	27-Nov-20	1203.30	Up	12.10.20	1105.00	1100.00
Steel long (ICEX)	7-Dec-20	34940.00	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 11.11.20

Market Update (Bullions)

Bullion counter may continue to trade with bullish bias where Gold may test 50350 and taking support near 49800 while silver may trade with higher volatility where it may test 62900 and taking support near 61980. Gold prices inched lower on Thursday, after dropping over 1% in the previous session, pressured by a firmer dollar and optimism over a COVID-19 vaccine related developments bolstering risk appetite. Spot gold fell 0.1% to \$1,863.70 per ounce. U.S. gold futures were flat at \$1,862.20. The dollar index held steady near a one-week high hit Wednesday, while Asian stocks were set to continue their vaccine-driven gains. President Donald Trump's campaign on Wednesday took another step in its long-shot legal strategy to upend his election loss with a Michigan lawsuit, while Georgia announced a recount and President-elect Joe Biden worked on laying the foundation of his administration. The European Central Bank will focus on more emergency bond purchases and cheap loans for banks when it puts together its new stimulus package next month to help the pandemic-hit euro zone economy, ECB President Christine Lagarde said on Wednesday. France reported 35,879 new coronavirus cases on Wednesday, taking the total to 1.86 million, overtaking Russia and making France the worst affected country in the European region. Holdings of SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.72% to 1,240.74 tonnes on Wednesday. Silver fell 0.4% to \$24.16 per ounce.

Market Update (Base Metals)

Base metals may continue to trade with sideways to bullish bias but some correction is expected from higher levels where Copper can move towards 536 and taking support near 530. Shanghai base metals traded mixed on Thursday morning and their counterparts on the LME also set for a mixed start. Copper prices on the spot market in China are based on the LME benchmark plus a premium which is currently below \$50 a tonne, about half the levels seen in May and the lowest since May last year. Codelco of Chile and a South Korean copper wire producer have agreed to maintain a copper premium of \$83/mt in 2021, with purchasing volume of copper cathode more than 50,000 mt in 2021, according to reports. Zinc may move towards 211 and taking support near 208. Lead can move towards 154 while taking support near 151. Nickel trade with sideways to bullish bias where it may take support near 1189 and resistance near 1215. Major mining companies — Nickel Asia and Global Ferronickel Holdings — suspended some of their operations in response to Covid-19. Aluminum may move towards 159 while taking support near 157. Worries about supplies on the LME market have eased due to large holdings of aluminium being reduced and the unwinding of a 30%-39% long futures position for November settlement.

Market Update (Energy)

Crude oil may trade with bullish bias where support is seen near 3070 and resistance is seen near 3165. Oil prices rose in early trade on Thursday, taking the week's gains to more than 12% on growing hopes that the world's major producers will hold off on a planned supply increase as soaring cases of COVID-19 dent fuel demand. Algeria's energy minister said on Wednesday that OPEC+ - grouping the Organization of the Petroleum Exporting Countries (OPEC) and other suppliers including Russia - could extend current production cuts of 7.7 million barrels per day (bpd) into 2021, or deepen them further if needed. The weakening outlook has piled pressure on OPEC+ to delay a supply increase of 2 million bpd scheduled for January. Both Brent and WTI have soared this week, lifted by hopes that the global coronavirus pandemic can be brought under control after initial trial data showed an experimental COVID-19 vaccine being developed by Pfizer Inc and Germany's BioNTech was 90% effective. Natural gas may trade with higher volatility where resistance is seen near 223 and support near 217. Natural gas prices fell to their lowest level since August 3 as heating demand concerns due to forecasts calling for the fifth warmest November on record continued to weigh on prices.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
19:00	US Initial Jobless Claims	High	735K	751K	Metal & Energy	Favourable
19:00	US Continuing Jobless Claims	High	6,900K	7,285K	Metal & Energy	Favourable
19:00	US Core CPI (YoY) (Oct)	High	1.8%	1.7%	Metal & Energy	Favourable
19:00	US Core CPI (MoM) (Oct)	High	0.2%	0.2%	Metal & Energy	Neutral
19:00	US CPI (MoM) (Oct)	High	0.1%	0.2%	Metal & Energy	Adverse
21:30	EIA Crude Oil Inventories	High	-0.913M	-7.998M	Energy	Favourable
21:30	EIA Gasoline Inventories	High	-0.263M	1.541M	Energy	Favourable

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