

COMMODITY DAILY REPORT (Metals & Energy)

15th January, 2020

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

| COMMODITY | CONTRACT | EXPIRY DATE | CLOSING PRICE |
|-----------------|----------|-------------|---------------|
| Silver | Mar | 27-Mar-20 | 17.74 |
| Gold | Feb | 26-Feb-20 | 1544.60 |
| Crude Oil | Feb | 21-Jan-20 | 58.23 |
| Brent Crude Oil | Mar | 31-Jan-20 | 64.49 |
| Natural Gas | Feb | 29-Jan-20 | 2.19 |

Closing as on 14.01.2020

CURRENCY / COMMODITY INDEX

| CURRENCY (Spot) | CURRENT PRICE |
|-----------------|---------------|
| USD / INR* | 70.84 |
| Dollar Index | 97.37 |
| EUR / USD | 1.1120 |
| CRB Index | 193.80 |

*Closing as on 14.01.2020

LME (BASE METALS) (\$ per tonnes)

| COMMODITY | CONTRACT | CLOSING PRICE |
|-----------|----------|---------------|
| Copper | Cash | 6247.00 |
| Aluminum | Cash | 1767.50 |
| Zinc | Cash | 2364.00 |
| Lead | Cash | 1897.00 |
| Nickel | Cash | 13680.00 |

Closing as on 14.01.2020

SHFE (BASE METALS) (Yuan per tonnes)

| COMMODITY | MONTH | CLOSING PRICE |
|-----------|-----------|---------------|
| Copper | 17-Feb-20 | 49040.00 |
| Aluminum | 17-Feb-20 | 14010.00 |
| Zinc | 17-Feb-20 | 18165.00 |
| Lead | 17-Feb-20 | 14860.00 |

Closing as on 14.01.2020

DOMESTIC MARKETS

MCX / ICEX

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|--------------------|-------------|---------------|---------|--------------------|--------------------|-------------------|
| Silver | 5-Mar-20 | 45903.00 | Down | 13.01.20 | 46443.00 | 48000.00 |
| Gold | 5-Feb-20 | 39447.00 | Down | 13.01.20 | 39546.00 | 40500.00 |
| Crude Oil | 17-Jan-20 | 4138.00 | Down | 09.01.20 | 4260.00 | 4400.00 |
| Natural gas | 28-Jan-20 | 158.80 | Down | 19.11.19 | 181.00 | 166.00 |
| Diamond 1ct (ICEX) | 5-Feb-20 | 3551.85 | Up | 27.08.19 | 3591.00 | 3525.00 |

Closing as on 14.01.2020

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-------------------|-------------|---------------|----------|--------------------|--------------------|-------------------|
| Copper | 31-Jan-20 | 453.85 | Up | 12.12.19 | 441.95 | 435.00 |
| Aluminum Mini | 31-Jan-20 | 140.35 | Sideways | 24.12.19 | 136.20 | - |
| Zinc MIni | 31-Jan-20 | 182.15 | Down | 03.12.19 | 181.45 | 190.00 |
| Lead Mini | 31-Jan-20 | 152.25 | Sideways | 29.10.19 | 160.05 | - |
| Nickel | 31-Jan-20 | 1018.30 | Sideways | 24.12.19 | 1045.10 | - |
| Steel long (ICEX) | 5-Feb-20 | 32780.00 | Up | 23.12.19 | 29720.00 | 30500.00 |

Closing as on 14.01.2020

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

Market Update (Bullions)

Bullion counter fell on Tuesday ahead of the much awaited signing of an interim U.S.-China trade deal that dampened the appeal of bullion. The main thing is that a week ago we had the Iran-U.S. news, that caused a pretty significant rally in gold; and now that news has subsided, The U.S.-China deal is also supposed to get signed today. Global equities rallied to reach fresh record highs as the world's two biggest economies prepare to formalize a truce. Gold can dip lower towards 39100 while taking resistance near 39600 while silver can test 45600 while taking resistance near 46200. U.S. Trade Representative Robert Lighthizer said that the Chinese translation of the deal was almost completed and would be made public on Wednesday, just prior to a signing ceremony. The U.S. Treasury on Monday said China should no longer be designated a currency manipulator in a long-delayed semi-annual currency report, reversing its August finding; the decision coincided with the arrival of a high-level Chinese delegation for a trade deal signing. U.S. Federal Reserve officials may broadly agree that interest rates are unlikely to change soon, but they differed Monday on how concerned they are about developing financial risks in assessing when a rate hike might be appropriate.

Market Update (Base Metals)

Base metals may trade with mixed bias. China's central bank set the midpoint of the yuan's daily trading band at its strongest fixing in more than five months on Tuesday after the United States dropped its designation of China as a currency manipulator. Copper may test 447 while taking resistance near 456. London copper prices on Tuesday slipped from an eight-month high hit in the previous session, as cautious investors awaited a raft of Chinese data, which will indicate whether a pick-up in economic activity has been maintained. Later in the day, Beijing is due to release its December and full-year 2019 trade data, one of the major indicators of economic health of China, the world's second-biggest economy. Top copper miner Codelco may not renew an agreement to supply copper concentrate to China's Shandong Fangyuan for 2020 because of financial problems at the private smelter, sources said. Zinc can recover towards 183 while taking support near 179. Lead may trade sideways to upside bias as it can test 154 by taking support near 150. Nickel may dip towards 990 while taking resistance near 1030. Aluminium may recover towards 142 while taking support near 138.

Market Update (Energy)

Crude oil may witness remain on weaker side as oil prices edged lower on Tuesday as receding Middle East tensions took some heat out of the market, with both Tehran and Washington desisting from any further escalation after this month's clashes. However, the declines were limited by expectations of a drawdown in U.S. crude oil inventories and optimism about the signing of a preliminary trade deal between the U.S. and China, the world's top oil consumers. Oil prices were supported ahead of the signing at the White House on Wednesday of a Phase 1 trade deal, which marks a major step in ending a dispute that has cut global growth and dented demand for oil. Elsewhere, Saudi Arabia's energy minister Prince Abdulaziz bin Salman said his country will work for oil market stability at a time of heightened U.S.-Iranian tension and wants to see sustainable prices and demand growth. Crude oil can further dip lower towards 4080 while taking resistance near 4180. Natural gas can dip lower 152 while facing resistance near 157. U.S. natural gas futures slipped on Tuesday from a two-week high in the previous session on forecasts for less cold weather and heating demand over the next two weeks than previously expected.

KEY ECONOMIC RELEASES

| IST | Economic releases | Importance | Expected | Previous | Impact on Commodity | Adverse/Favourable / Neutral |
|-------|--------------------------|------------|----------|----------|---------------------|------------------------------|
| 19:00 | US PPI (MoM) (Dec) | High | 0.20% | 0.00% | Metal and Energy | Favourable |
| 19:00 | US Crude Oil Inventories | High | (0.474M) | 1.164M | Metal and Energy | Favourable |

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