

COMMODITY DAILY REPORT (Metals & Energy)

5th December, 2018

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	Dec	27-Dec-18	14.52
Gold	Dec	27-Dec-18	1241.10
Crude Oil	Jan	19-Dec-18	53.25
Brent Crude Oil	Feb	28-Dec-18	62.08
Natural Gas	Jan	27-Dec-18	4.46

Closing as on 04.12.18

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	70.52
Dollar Index	97.07
EUR / USD	1.13
CRB Index	190.47

*Closing as on 04.12.18

LME (BASE METALS) (\$ per tonnes)

COMMODITY		CLOSING PRICE
Copper	Cash	6,278.00
Aluminum	Cash	1,985.00
Zinc	Cash	2,740.00
Lead	Cash	1,974.00
Nickel	Cash	11,265.00

Closing as on 04.12.18

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	Dec	49790.00
Aluminum	Dec	13725.00
Zinc	Dec	21500.00
Lead	Dec	18795.00

Closing as on 04.12.18

DOMESTIC MARKETS

MCX (BULLIONS AND ENERGY)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Silver	5-Mar-19	37481.00	Sideways	04.12.18	37481.00	-
Gold	5-Feb-19	31106.00	Down	09.11.18	31016.00	31200.00
Crude Oil	18-Dec-18	3768.00	Down	23.10.18	4887.00	3950.00
Natural gas	26-Dec-18	318.20	Sideways	15.11.18	295.70	-

Closing as on 04.12.18

MCX (BASE METALS)

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	28-Feb-19	434.50	Down	30.10.18	434.70	446.00
Aluminum	31-Dec-18	139.65	Down	30.10.18	145.05	143.00
Zinc	31-Dec-18	186.20	Sideways	31.10.18	187.00	-
Lead	31-Dec-18	141.10	Sideways	04.12.18	141.10	-
Nickel	31-Dec-18	786.00	Down	26.10.18	864.80	790.00

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

Closing as on 04.12.18

Market Update (Bullions)

Gold (Feb) can take support near 30900 and can face resistance near 31200 in MCX. While silver (Mar) can take support near 37160 and can face resistance near 37800. In the international market, Gold prices were steady early Wednesday as the dollar edged up. Spot gold was at \$1,236.85 per ounce at 0121 GMT. In the previous session, prices touched a peak of \$1,241.86, their highest since Oct. 26. U.S. gold futures were down 0.4 percent at \$1,241.4 per ounce. Gold is off to a positive start to the week after the US-China trade war truce. ETF investors bought gold at a cautious pace over November 23-30, according to Fastmarkets. The dovish turn of the Fed and the trade war truce are conducive to a stronger gold price into year-end. The dollar index, which measures the greenback against a basket of six major currencies, was marginally up by about 0.1 percent. Overall, The dollar remained under pressure on Wednesday after the U.S. bond market sent worrisome signs about economic growth overnight, adding to fears that the Federal Reserve could put its rate-hike cycle on hold. Investors also kept a close eye on signals on the future path of interest rates next year by the U.S. Federal Reserve, with the central bank widely expected to raise rates at its policy meeting on Dec. 18-19. Meanwhile, spot silver slumped 0.68 percent to \$14.54 per ounce.

Market Update (Base Metals)

The base metal counters are likely to trade on a cautious note taking negative cues from the international market. The greenback edged up on Wednesday, putting further pressure on London metals which are traded in dollars, as the commodities became more expensive for countries using other currencies. Copper can face resistance near 445 and can take support near 430. Three-month copper on the London Metal Exchange fell 0.3 percent to \$6,189 a tonne by 0121 GMT, while the most-active contract on the Shanghai Futures Exchange lost 1.4 percent to 49,250 yuan (\$7,206.30) a tonne. Zinc can face resistance near 189 and support near 183. Lead can take support near 138 and can face resistance near 143. Nickel can take support near 770 while its upside will be capped near 810. Aluminium can take support near 138 levels while it has resistance near 141 levels. London aluminium fell 0.2 percent to \$1,971 a tonne, while nickel eased 0.1 percent and zinc was 0.4 percent lower. Industrial metals on the London Metal Exchange fell on Wednesday as U.S.-China trade tensions resurfaced, raising concerns over economic growth and demand. U.S. President Donald Trump threatened to place "major tariffs" on Chinese goods imported into the United States if his administration is unable to reach an effective trade deal with Beijing. But China said Beijing and Washington will push forward with trade negotiations in the next 90 days and it is confident that an agreement can be implemented.

Market Update (Energy)

Crude oil can take support near 3650 and resistance near 3890 in MCX. On NYMEX, oil prices fell 1 percent on Wednesday, weighed down by swelling U.S. inventories and a plunge in global stock markets as China's government warned of increasing economic headwinds. The sentiments are negative as it being estimated that oil demand would stall due to a trade war between the U.S. and China, and as Russia remained a stumbling block to a deal to cut global crude supply. While Russian President Vladimir Putin said on Saturday that he had agreed with Saudi Crown Prince Mohammed bin Salman to extend efforts to balance oil markets, they didn't give details on specific cuts and no Russian oil companies have signed off on a plan to curb production. International Brent crude oil futures were at \$61.37 per barrel at 0240 GMT, down 71 cents, or 1.1 percent from their last close. U.S. West Texas Intermediate (WTI) crude futures were at \$52.64 per barrel, down 61 cents, or 1.1 percent, from their last close. Natural gas (Dec) may trade sideways to up in the range of 312-327 in MCX. On NYMEX, extreme volatility persisted over natural gas price movement despite the latest forecasts calling for near normal weather and lower demand over the next two weeks. Meteorologists forecast colder-than-normal temperatures through the middle of next week before turning warmer than usual through at least late-December, with overall temperatures near normal. Traders said if warmer weather comes, utilities could leave more fuel in storage due to lower heating demand and start to trim the deep inventory deficit.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable /Neutral
19:00	U.S Unit Labor Costs (QoQ) (Q3)	MEDIUM	1.20%	1.20%	Bullions, Metals & Energy	Neutral
20:15	U.S Markit Composite PMI (Nov)	MEDIUM	54.4	54.4	Bullions, Metals & Energy	Neutral
20:15	U.S Services PMI (Nov)	MEDIUM	54.4	54.4	Bullions, Metals & Energy	Neutral

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