

## COMMODITY DAILY REPORT (Metals & Energy)

21st October, 2020

### INTERNATIONAL MARKETS

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	December	29-Dec-20	24.98
Gold	November	25-Nov-20	1911.60
Crude Oil	December	20-Nov-20	41.70
Brent Crude Oil	December	30-Oct-20	43.16
Natural Gas	November	28-Oct-20	2.91

#### CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.44
Dollar Index	93.05
EUR / USD	1.18
CRB Index	161.07

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

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6814.00
Aluminum	Cash	1826.00
Zinc	Cash	2485.00
Lead	Cash	1748.00
Nickel	Cash	15791.00

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

COMMODITY	MONTH	CLOSING PRICE
Copper	16-Nov-20	51390.00
Aluminum	16-Nov-20	14770.00
Zinc	16-Nov-20	19340.00
Lead	16-Nov-20	14305.00

### DOMESTIC MARKETS

#### MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Oct-20	15668.22	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	63124.00	Up	18.05.20	47698.00	58200.00
Gold	5-Dec-20	50910.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Nov-20	3045.00	Sideways	08.09.20	2705	-
Natural gas	27-Oct-20	214.30	Up	23.09.20	154.20	150.00
Diamond 1ct (ICEX)	5-Nov-20	3423.05	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Oct-20	531.80	Up	12.10.20	525.00	490.00
Aluminum	30-Oct-20	151.55	Up	10.06.20	138.40	136.00
Zinc	30-Oct-20	200.45	Up	11.05.20	156.60	182.00
Lead	30-Oct-20	150.30	Up	28.07.20	148.05	140.00
Nickel	30-Oct-20	1174.50	Up	12.10.20	1105.00	1040.00
Steel long (ICEX)	5-Nov-20	32850.00	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 20.10.20**

### Market Update (Bullions)

Bullion counter may extend gains where Gold may test 51800 and taking support near 50700 while silver may trade with higher volatility where it may test 65200 and taking support near 62900. Gold prices rose on Wednesday, propped up by a softer dollar and increasing hopes for a new U.S. coronavirus relief package ahead of the November elections. Spot gold rose 0.3% to \$1,912.11 per ounce. U.S. gold futures were steady at \$1,916.40. The dollar index was down 0.1% against rivals. The White House and Democrats in the U.S. Congress moved closer to agreement on a fresh coronavirus aid as President Donald Trump said he was willing to accept a large aid bill despite opposition from his own Republican Party. The current rise in U.S. infections may not dent the recovery too much, Chicago Federal Reserve Bank President Charles Evans said, adding he remains "reasonably optimistic" unemployment will fall to 5.5% by the end of next year. A frustrated European Union and piqued Britain both exhorted the other to compromise to avoid a fast-approaching disruptive finale to the five-year Brexit drama that would add to economic pain from the coronavirus crisis. Switzerland's gold exports to China and India dwindled in September, with the country instead importing record volumes of bullion from Hong Kong and sending metal to Britain, customs data showed. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.23% to 1,269.93 tonnes on Tuesday. Silver gained 0.7% to \$24.82 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. Copper can move towards 535 and taking support near 528. Base metals on the SHFE mostly advanced on Wednesday morning, holding onto overnight gains, while their counterparts on the LME also rose for the most part. Worries about wider supply disruptions in top producer Chile helped support copper. A lower U.S. currency makes dollar-priced metals cheaper for holders of other currencies, which could boost demand and prices. Zinc may move towards 202 and taking support near 198. Lead can move towards 152 while taking support near 148. Nickel trade with sideways to bullish bias where it may take support near 1160 and resistance near 1196. Global demand for nickel is expected at 2.52 million tonnes in 2021 from 2.32 million tonnes this year, the International Nickel Study Group (INSG). Glencore is talking with car makers and battery makers about nickel - a key component in electric vehicle batteries which Tesla CEO Elon Musk has asked miners to produce more of. Aluminum may move towards 154 while taking support near 150. China, The world's top producer of the metal churned out 3.16 million tonnes of primary aluminum in September, the National Bureau of Statistics said, up 7.9% from a year earlier.

### Market Update (Energy)

Crude oil may continue to trade in wider range where support is seen near 2970 and resistance is seen near 3090. Oil prices fell on Wednesday after a surprise climb in U.S. crude stockpiles added to concerns about a global supply glut as a spike in global COVID-19 cases fuels demand fears and production returns in Libya. Crude inventories rose by 584,000 barrels in the week to Oct. 16 to about 490.6 million barrels, data from industry group the American Petroleum Institute showed, compared with analysts' expectations in a Reuters poll for a draw of 1 million barrels. Adding to pressure, worldwide COVID-19 cases crossed 40 million on Tuesday, with some parts of Europe imposing renewed lockdown measures. On the supply side, the Organization of the Petroleum Exporting Countries (OPEC) and its allies, together known as OPEC+, plan on scaling back their production cuts in January from a current 7.7 million barrels per day (bpd) to roughly 5.7 million bpd in January. Natural gas may trade with higher volatility and may extend the bullish rally where resistance is seen near 225 and support near 208. Natural gas prices moved higher on Tuesday as colder than normal weather is now spreading throughout the US.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable / Neutral
20:00	EIA Crude Oil Inventories	High	-0.240M	-3.818M	Energy	Adverse
20:00	EIA Gasoline Inventories	High	-1.767M	-1.626M	Energy	Favourable

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