

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

**16th May, 2018**

**INTERNATIONAL MARKETS**

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

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	July	27-Jul-18	16.27
Gold	June	27-Jun-18	1290.30
Crude Oil	June	20-May-18	71.31
Brent Crude Oil	July	31-May-18	78.43
Natural Gas	June	29-May-18	2.84

Closing as on 15.05.18

**CURRENCY / COMMODITY INDEX**

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	68.07
Dollar Index	93.35
EUR / USD	1.1837
CRB Index	208.36

\*Closing as on 15.05.18

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

COMMODITY		CLOSING PRICE
Copper	Cash	6822.50
Aluminum	Cash	2313.00
Zinc	Cash	3060.50
Lead	Cash	2346.00
Nickel	Cash	14490.00

Closing as on 15.05.18

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

COMMODITY	MONTH	CLOSING PRICE
Copper	June	51050.00
Aluminum	June	14635.00
Zinc	June	23760.00
Lead	June	19410.00

Closing as on 15.05.18

**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	39952.00	Up	10.05.18	40390.00	39500.00
Gold	5-Jun -18	31175.00	Up	10.05.18	31365.00	30800.00
Crude Oil	21-May -18	4850.00	Up	09.05.18	4799.00	<b>4650.00</b>
Natural gas	25-May -18	194.10	Up	23.04.18	182.30	<b>183.00</b>

Closing as on 15.05.18

**MCX (BASE METALS)**

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	29-Jun-18	462.95	Up	18.04.18	459.10	455.00
Aluminum	31-May-18	159.50	Down	23.04.18	151.00	162.00
Zinc	31-May-18	208.55	Down	03.05.18	200.35	211.00
Lead	31-May-18	160.20	Up	14.05.18	161.05	<b>154.00</b>
Nickel	31-May-18	985.40	Down	24.04.18	933.20	<b>962.00</b>

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

Closing as on 15.05.18

### Market Update (Bullions)

Bullion counter may continue to tad lower on stronger greenback and on surging U.S. bond yields. The dollar hovered near a five-month high against a group of major currencies on Wednesday, as a surge in the benchmark 10-year Treasury yield above 3 percent reignited a rally that had lost steam last week. The yield on the benchmark U.S. 10-year Treasury note hit its highest in about seven years on Tuesday on the heels of a report that indicated a pick-up in consumer spending, lifting the dollar to its strongest level this year. Today investors will eye the outcome of ECB president Draghi speech and US industrial production data later today. On domestic bourses weakness in local currency has capped the downside to larger extent. Gold can take support near 31100 and can face resistance near 31300 in MCX. Meanwhile silver can take support near 39800 and can face resistance near 40200. U.S. retail sales increased marginally in April as rising gasoline prices cut into discretionary spending, but consumer spending appeared on track to accelerate after slowing sharply in the first quarter. Federal Reserve Chair Jerome Powell's top deputies are edging toward a clash that could shape the pace of interest-rate hikes in coming months, as well as how the Fed should prepare for and combat the next economic downturn.

### Market Update (Base Metals)

In base metals copper may witness lower level buying and nickel may continue yesterday gains. Copper may take support near 460 and can face resistance near 466. London copper futures struggled to recover on Wednesday after a two-day slide as the U.S. dollar hovered near a five-month high versus a basket of major currencies following a surge in Treasury yields. Zinc can trade sideways as it can take support near 206 and resistance near 210 while lead can also trade in sideways as it can take support near 158 and resistance near 162. Nickel can take support near 975 and recover towards 1000. Aluminium may move in range of 157-161 in MCX. Chinese steel and iron ore futures retreated on Wednesday following a three-day rally that lifted the raw material to an eight-week high, although the outlook for steel demand remained upbeat. With construction activity in China in full swing, traders' steel inventories have continuously fallen since March and production by Chinese mills jumped in April to the highest daily average in four years.

### Market Update (Energy)

Crude oil may trade sideways as it can take support near 4780 and has resistance near 4890 in MCX. Today investors will eye the outcome of weekly inventory data later today. Oil prices fell on Wednesday, weighed down by ample supplies despite ongoing output cuts by producer cartel OPEC and looming U.S. sanctions against major crude exporter Iran. Spot crude oil cargo prices are at their steepest discounts to futures prices in years as sellers are struggling to find buyers for West African, Russian and Kazakh cargoes, while pipeline bottlenecks trap supply in west Texas and Canada. Despite Wednesday's dips and some indicators implying the financial oil has overshot physical oil, overall crude market conditions have tightened since 2017 when the Organization of the Petroleum Exporting Countries (OPEC), led by Saudi Arabia, started to withhold supplies to push up oil prices. Natural gas can trade higher as it can test 197 in MCX. U.S. natural gas futures on Tuesday held near three-month highs on expectations forecasts for warmer-than-normal weather will increase the amount of gas burned by power generators to keep up with air-conditioning use.

**KEY ECONOMIC RELEASES**

IST	Economic releases	Importance	Expected	Previous	Impact on	Adverse/Favourable
18:00	US Building Permits (Apr)	Med	1.350M	1.379M	Metal and Energy	Adverse
18:00	US Housing Starts (MoM) (Apr)	Med	-1.10%	1.90%	Metal and Energy	Adverse
18:45	US Industrial Production (MoM) (Apr)	Med	0.50%	0.50%	Metal and Energy	Neutral
20:00	EIA Crude Oil Inventories	Med	-0.763M	-2.197M	Crude oil	Adverse
20:00	EIA Gasoline Inventories	Med	-1.421M	-2.174M	Crude oil	Adverse

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