

COMMODITY DAILY REPORT (Metals & Energy)

26th February, 2021

INTERNATIONAL MARKETS

COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

| COMMODITY | CONTRACT | EXPIRY DATE | CLOSING PRICE |
|-----------------|----------|-------------|---------------|
| Silver | March | 29-Mar-21 | 27.637 |
| Gold | April | 28-Apr-21 | 1775.4 |
| Crude Oil | April | 22-Mar-21 | 63.53 |
| Brent Crude Oil | April | 26-Feb-21 | 66.88 |
| Natural Gas | April | 29-Mar-21 | 2.777 |

CURRENCY / COMMODITY INDEX

| CURRENCY (Spot) | CURRENT PRICE |
|-----------------|---------------|
| USD / INR* | 72.74 |
| Dollar Index | 90.33 |
| EUR / USD | 1.22 |
| CRB Index | 207.36 |

LME (BASE METALS) (\$ per tonnes)

| COMMODITY | CONTRACT | CLOSING PRICE |
|-----------|----------|---------------|
| Copper | Cash | 9614.00 |
| Aluminum | Cash | 2223.00 |
| Zinc | Cash | 2894.50 |
| Lead | Cash | 2158.50 |
| Nickel | Cash | 19568.00 |

SHFE (BASE METALS) (Yuan per tonnes)

| COMMODITY | MONTH | CLOSING PRICE |
|-----------|-----------|---------------|
| Copper | 15-Mar-21 | 69640.00 |
| Aluminum | 15-Mar-21 | 17280.00 |
| Zinc | 15-Mar-21 | 15790.00 |
| Lead | 15-Mar-21 | 21645.00 |

DOMESTIC MARKETS

MCX / ICEX

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-------------|-------------|---------------|----------|--------------------|--------------------|-------------------|
| Bulldex | 24-Feb-21 | 14910.00 | Sideways | 25.08.20 | 15750.00 | - |
| Silver | 5-Mar-21 | 69276.00 | Up | 18.05.20 | 47698.00 | 65000.00 |
| Gold | 5-Apr-21 | 46241.00 | Sideways | 02.02.21 | 47751.00 | - |
| Crude Oil | 19-Mar-21 | 4622.00 | Up | 24.11.20 | 3333.00 | 3820.00 |
| Natural gas | 26-Mar-21 | 203.70 | Sideways | 23.12.20 | 191.90 | - |

| COMMODITY | EXPIRY DATE | CLOSING PRICE | TREND** | DATE TREND CHANGED | RATE TREND CHANGED | CLOSING STOP LOSS |
|-----------|-------------|---------------|---------|--------------------|--------------------|-------------------|
| Copper | 26-Feb-21 | 730.25 | Up | 12.10.20 | 525.00 | 570.00 |
| Aluminum | 26-Feb-21 | 172.00 | Up | 10.06.20 | 138.40 | 155.00 |
| Zinc | 26-Feb-21 | 230.45 | Up | 11.05.20 | 156.60 | 200.00 |
| Lead | 26-Feb-21 | 178.40 | Up | 28.07.20 | 148.05 | 150.00 |
| Nickel | 26-Feb-21 | 1382.30 | Up | 04.01.21 | 1269.30 | 1240.00 |
| MetIdx | 22-Mar-21 | 15069.00 | Up | 16.11.20 | 12939.00 | 13000.00 |

**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 25.02.21

Market Update (Bullions)

Bullion counter may trade with bearish bias where Gold may find support near 45900 and facing resistance near 46500 while silver may trade with higher volatility where it may find support near 68900 and facing resistance near 69600. Gold prices hit their lowest in a week on Friday and headed for a second straight weekly decline as higher U.S. Treasury yields sapped the appeal of non-yielding bullion. Spot gold was steady at \$1,770.15 per ounce. Prices were down 0.6% for the week so far. U.S. gold futures fell 0.5% to \$1,767.10. Gold dropped 1.9% on Thursday as rising economic expectations and inflation concerns vaulted benchmark U.S. Treasury yields to their highest since the pandemic began, helping lift the dollar. Federal Reserve policymakers are shrugging off the surge in longer-term U.S. government bond yields as a sign of growing optimism about the economy, which could pick up steam as more people are vaccinated against COVID-19. U.S. jobless claims fell last week, suggesting the labor market was slowly regaining traction. Robust fiscal support and vaccinations could lead the United States to its strongest growth in decades, New York Fed President John Williams said on Thursday. China's net gold imports via Hong Kong fell in January as COVID-19-related restrictions reduced demand in the run-up to the Lunar New Year holiday. Holdings in the world's largest gold-backed exchange-traded fund, SPDR Gold Trust fell 0.6% on Thursday. Silver gained 0.3% to \$27.49 an ounce.

Market Update (Base Metals)

Base metals may trade with bullish bias where Copper(Mar) can move towards 723 and taking support near 717. Base metals on the SHFE and LME fell for the most part on Friday morning following an overnight drop on Wall Street as a rapid rise in bond yields rattled investor sentiment. Earlier, Copper prices surged to their highest in almost a decade on Thursday as investors scrambled to buy metals as a hedge against potential inflation from ongoing central bank stimulus. Low global inventories of copper and rebounding demand in Europe and the United States have boosted the price. The roughly 24 million tonne a year refined copper market is already in deficit and was undersupplied by 589,000 tonnes in the first 11 months of 2020, the International Copper Study Group (ICSG) said. Zinc may move towards 227 and taking support near 223. Lead can move towards 180 while taking support near 176. As per International Zinc Association, Zinc consumption in India to grow by 14-15% in 2021. Nickel trade with sideways to bullish bias where it may take support near 1367 and resistance near 1390. Largest Nickel producing country Indonesia has received an investment proposal from U.S. electric vehicle (EV) maker Tesla. Norilsk Nickel said it had partially suspended operations at its Oktyabrsky and Taimyrsky mines in Siberia because it had detected an inflow of water underground. Aluminum may move to 177 while taking support near 174.

Market Update (Energy)

Crude oil may trade with sideways to bearish bias where support is seen near 4580 and resistance is seen near 4670. Oil was down Friday morning in Asia, ending the week on a low note. The global market tightened as investors await an Organization of the Petroleum Exporting Countries and allies (OPEC+) meeting scheduled for the following week. The OPEC+ meeting will be closely watched for any changes made by the cartel to production levels as prices continue to recover. Saudi Arabia pledged additional production cuts earlier in the year, helping to drain stockpiles and avert oversupply fears. However, there are indications that other member states will propose keeping supply steady, while Russia could push for an increase in production. Market tightening continues in the wake of the previous week's cold snap in Texas and the surrounding areas. Producers continue to slowly bring the millions of barrels of output that was interrupted by the weather. Natural gas may trade with higher volatility where resistance is seen near 207 and support near 200.

KEY ECONOMIC RELEASES

| IST | Economic releases | Importance | Expected | Previous | Impact on Commodity | Adverse/Favourable /Neutral |
|-------|-----------------------------------------|------------|----------|----------|---------------------|-----------------------------|
| 19:00 | US Core PCE Price Index (YoY) (Jan) | High | 1.4% | 1.5% | Metal & Energy | Favourable |
| 19:00 | US Core PCE Price Index (MoM) (Jan) | High | 0.2% | 0.3% | Metal & Energy | Favourable |
| 19:00 | US Personal Income (MoM) (Jan) | High | 9.5% | 0.6% | Metal & Energy | Adverse |
| 19:00 | US Personal Spending (MoM) (Jan) | High | 2.5% | -0.2% | Metal & Energy | Adverse |
| 20:15 | US Chicago PMI (Feb) | High | 61.1 | 63.8 | Metal & Energy | Favourable |
| 20:30 | US Michigan Consumer Expectations (Feb) | High | 69.8 | 74.0 | Metal & Energy | Favourable |
| 20:30 | US Michigan Consumer Sentiment (Feb) | High | 76.5 | 79.0 | Metal & Energy | Favourable |

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