

COMMODITY DAILY REPORT (Metals & Energy)
24th September, 2020
INTERNATIONAL MARKETS
COMEX / NYMEX / ICE (PRECIOUS METALS AND ENERGY)

COMMODITY	CONTRACT	EXPIRY DATE	CLOSING PRICE
Silver	September	28-Sep-20	23.01
Gold	October	28-Oct-20	1860.50
Crude Oil	November	20-Oct-20	39.93
Brent Crude Oil	November	30-Sep-20	41.77
Natural Gas	October	28-Sep-20	2.13

CURRENCY / COMMODITY INDEX

CURRENCY (Spot)	CURRENT PRICE
USD / INR*	73.57
Dollar Index	94.38
EUR / USD	1.17
CRB Index	156.70

LME (BASE METALS) (\$ per tonnes)

COMMODITY	CONTRACT	CLOSING PRICE
Copper	Cash	6725.50
Aluminum	Cash	1718.50
Zinc	Cash	2422.00
Lead	Cash	1851.50
Nickel	Cash	14365.00

SHFE (BASE METALS) (Yuan per tonnes)

COMMODITY	MONTH	CLOSING PRICE
Copper	15-Oct-20	51550.00
Aluminum	15-Oct-20	14470.00
Zinc	15-Oct-20	19645.00
Lead	15-Oct-20	15490.00

DOMESTIC MARKETS
MCX / ICEX

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Bulldex	23-Sep-20	15080.13	Sideways	25.08.20	15750.00	-
Silver	4-Dec-20	58488.00	Up	18.05.20	47698.00	58200.00
Gold	5-Oct-20	49508.00	Up	23.03.20	41163.00	49500.00
Crude Oil	19-Oct-20	2947.00	Sideways	08.09.20	2705	-
Natural gas	25-Sep-20	154.20	Up	23.09.20	154.20	145.00
Diamond 1ct (ICEX)	5-Oct-20	3050.10	Sideways	03.07.20	3697.35	-

COMMODITY	EXPIRY DATE	CLOSING PRICE	TREND**	DATE TREND CHANGED	RATE TREND CHANGED	CLOSING STOP LOSS
Copper	30-Sept-20	528.05	Up	07.04.20	392.00	510.00
Aluminum	30-Sept-20	147.00	Up	10.06.20	138.40	136.00
Zinc	30-Sept-20	194.25	Up	11.05.20	156.60	182.00
Lead	30-Sept-20	145.85	Up	28.07.20	148.05	140.00
Nickel	30-Sept-20	1052.90	Up	22.07.20	1026.60	1050.00
Steel long (ICEX)	5-Oct-20	33060.00	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 23.09.20

Market Update (Bullions)

Bullion counter may post correction from higher levels where Gold may test 49200 and facing resistance near 50100 while silver may test 56200 and facing resistance near 59900. Gold prices hit a more than two-month trough on Thursday, weighed down by a robust dollar, with investors looking to U.S. jobless claims data due later in the day to further gauge the pace of a recovery in the world's largest economy. Spot gold fell 0.3% to \$1,858.08 per ounce. Prices earlier hit \$1,853.32, the lowest level since July 22. U.S. gold futures were down 0.3% to \$1,862.30. The dollar index held firm near a more than eight-week peak against rival currencies, as signs of an economic slowdown in Europe and the U.S. renewed concerns about a second wave of novel coronavirus infections. U.S. business activity cooled in September, with gains at factories offset by a retreat at services. Investors now await weekly data, which is expected to show U.S. jobless claims fell slightly but remained elevated. Euro zone business growth ground to a halt this month as the service industry slammed into reverse, knocked by a resurgence in COVID-19 cases prompting governments to reintroduce restrictions, a survey showed. Federal Reserve officials on Wednesday doubled down on efforts to convince investors they will keep monetary policy easy for years to allow unemployment to fall, emphasising that interest rates will stay near zero until inflation gets to 2% and stays there. Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell 0.87% to 1,267.14 tonnes on Wednesday. Silver fell 2.8% to \$22.23 per ounce, hitting a more than two-month low earlier in the session.

Market Update (Base Metals)

Base metals may trade with bullish bias where Copper can move towards 532 and taking support near 525. Base metals on both SHFE and LME declined across the board in early trading of Thursday as the US dollar index, which measures the greenback against a basket of its peers, returned above 94 overnight to its highest in more than eight weeks, posting a four-day winning streak. US manufacturing purchasing managers' index (PMI) came in at 53.5 in September, hitting a fresh high in 20 months, the latest manufacturing activity survey from IHS/Markit research showed on Wednesday. Glencore said its Democratic Republic of Congo subsidiary Kamoto Copper Company (KCC) is ramping up to full production and should produce 270,000 tonnes of copper as cathode in 2020. U.S.-China tensions will likely have an impact on metals markets going forward. Zinc may move towards 196 and taking support near 192. Lead can move towards 147 while taking support near 144. Nickel trade bullish bias where it may take support near 1040 and resistance near 1075. Nickel prices are getting support from upbeat demand from China's stainless steel sector. Aluminum may move towards 146 while taking support near 143. The People's Republic of China's Regal Metal announced this week that it plans to build an aluminium-recycling plant with a nameplate capacity of 300 thousand metric tons in Shanxi province.

Market Update (Energy)

Crude oil may dip towards support near 2860 and resistance is seen near 3020. Oil futures fell on Thursday on concerns the economic recovery in the United States, the world's biggest oil consumer, is slowing as the coronavirus outbreak lingers and a resurgence in European cases led to new travel restrictions there. Both benchmarks climbed slightly on Wednesday after government data showed U.S. crude and fuel stockpiles dropped last week. Gasoline inventories fell more than expected, sliding by 4 million barrels, and distillate stockpiles, which include diesel and jet fuel, posted a surprise drawdown of 3.4 million barrels. Prices turned down after data showed U.S. business activity slowed in September, U.S. Federal Reserve officials flagged concerns about a stalling recovery, and Britain and Germany imposed restrictions to stem new coronavirus infections -- all factors affecting the fuel demand outlook. On the supply side, the market remains wary of a resumption of exports from Libya, although it is unclear how quickly it can ramp up volumes. Libya's National Oil Corp (NOC) seeks to boost output to 260,000 bpd by next week. Natural gas may extend bullish rally where resistance is seen near 162 and support near 149.

KEY ECONOMIC RELEASES

IST	Economic releases	Importance	Expected	Previous	Impact on Commodity	Adverse/Favourable /Neutral
18:00	US Initial Jobless Claims	High	843K	860K	Metal & Energy	Favourable
18:00	US Continuing Jobless Claims	High	12,339K	12,628K	Metal & Energy	Favourable
19:30	US New Home Sales (MoM) (Aug)	High	-1.0%	13.9%	Metal & Energy	Adverse
19:30	US New Home Sales(Aug)	High	890K	901K	Metal & Energy	Adverse

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