

Daily Commodity Market Buzz as on

Monday, April 18, 2016

Item	Open	High	Low	Close	% Cng	OI	Trend
Bullion							
MCX Gold	28825	28993	28806	28959	0.69	9036	↑
MCX Silver	38351	38647	38160	38507	0.52	11836	↑
Spot Gold \$	1234.64	1239.60	1233.16	1235.20	0.15		↑
Spot Silver \$	16.19	16.30	16.12	16.17	-0.09		↓
Energy							
MCX Crude	2750	2750	2664	2698	-3.26	10600	↓
MCX Natural Gas	132.3	132.3	126.1	127.7	-3.55	8661	↓
Spot Crude \$	41.65	41.65	40.00	40.33	-2.70		↓
Spot Nat.Gas \$	1.882	1.899	1.872	1.898	0.00		↓
Base Metals							
MCX Copper	318.5	318.5	314.85	317.15	-0.92	17240	↓
MCX Nickel	595.8	596.9	587.1	593.7	-1.03	12390	↓
MCX Zinc	123.9	124.8	122.85	124.3	0.61	5067	↑
MCX Lead	114.7	114.85	113.6	114	-0.65	3416	↓
MCX Aluminium	103.3	103.4	102.55	103.3	-0.24	3155	↓
LME Copper	4773	4822	4764	4818	0.25		↑
LME Nickel	8875	8960	8825	8930	-0.11		↓
LME Zinc	1872	1900	1861	1890	0.53		↑
LME Lead	1706	1720	1699	1714	0.09		↑
LME Aluminium	1550	1556	1541	1555	0.00		↑
Forex							
Dollar Index	94.94	95.06	94.49	94.74	-0.20		↓
EURUSD	1.1282	1.1315	1.1274	1.1280	-0.02		↓
GBPUSD	1.4220	1.4237	1.4160	1.4169	-0.25		↓
USDINR	66.49	66.76	66.39	66.73	0.25	2084876	↑
EURINR	75.70	75.74	75.40	75.46	-0.64	62760	↓
GBPINR	95.03	95.13	94.62	95.08	-0.16	19033	↓
JPYINR	61.15	61.25	60.93	61.05	-0.62	21381	↓

Market Review

Bullion

Bullion prices gained after three days of declines as the U.S. dollar and major stock markets weakened. Markets remain uncertain over when the Federal Reserve (Fed) will lift its interest rates next, and how many rate hikes will the US economy face over this year.

Energy

Crude oil prices dropped ahead of a weekend meeting that could yield an output freeze by major producers, while the U.S. dollar and stocks across the globe edged lower but posted weekly gains. The IEA expressed similar doubts that a deal could help boost persistently low oil prices. Natural gas prices dropped with a record glut for end-of-winter stockpiles still weighing on prices.

Base Metals

Base metals prices dropped after strong Chinese economic data raised fears that government stimulus programmes in the top metals consumer are not sustainable, and as the market also looked ahead to a key meeting of oil producers. China posted its slowest economic growth since 2009, but a surge of new debt appears to be fuelling a recovery in factory activity, investment and household spending in the world's second-largest economy.

MCX Gold Jun 2016

Open	High	Low	Close	% Cng	OI	Vol
28825	28993	28806	28959	0.69	9036	6815

Resistance 1	Resistance 2	Resistance 3	P. Point
29032	29106	29219	
Support 1	Support 2	Support 3	28919
28845	28732	28658	

Market Synopsis

Gold trading range for the day is 28732-29106.

Gold rose after three days of declines as the U.S. dollar and major stock markets weakened.

Chicago Federal Reserve President Evans said the Fed seems to be on track for at least two interest rate increases over the rest of the year.

SPDR gold trust holdings dropped by 0.33% i.e. 2.68 tonnes to 812.46 tonnes from 815.14 tonnes.

India's gold imports in 2015/16 fiscal year, ended on March 31, dropped 16 percent from a year ago to 926 tonnes.

BUY GOLD JUNE @ 28850 SL 28650 TGT 29100-29350.MCX

Chart



Market Synopsis

Gold on MCX settled up 0.69% at 28959 after three days of declines as the U.S. dollar and major stock markets weakened, but bullion was headed for its first weekly drop in three. Bullion had climbed to a three-week high on Tuesday, only to give up gains as world stocks rose on Thursday to their highest levels since late December, boosted by robust Chinese economic data and a surge in oil prices earlier in week. Gold prices have steadied after posting their biggest quarterly rise in nearly 30 years in the first quarter, driven by a reining in of expectations that the U.S. Federal Reserve will push ahead with several interest rate increases this year. Chicago Federal Reserve President Charles Evans said the Fed seems to be on track for at least two interest rate increases over the rest of the year. The Chinese government reported on Wednesday that exports surged by 11.5% in March on an annual basis, defying expectations for slight gains of 2.5%. The upbeat data bolstered investor confidence, one month after Chinese exports plummeted more than 25% in dollar terms. Federal Reserve Bank of Dallas president Rob Kaplan said he thinks the FOMC could raise short-term interest rates in June if the economy demonstrates continued improvement, while San Francisco Fed president John Williams said the Fed should approve "two to three rate hikes," before the end of the year if the current economic outlook remains unchanged. Assets in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, fell to a one-month low on Thursday. Technically now Gold is getting support at 28845 and below same could see a test of 28732 level, And resistance is now likely to be seen at 29032, a move above could see prices testing 29106.

MCX Silver May 2016

Open	High	Low	Close	% Cng	OI	Vol
38351	38647	38160	38507	0.52	11836	9816

Resistance 1	Resistance 2	Resistance 3	P. Point
38716	38925	39203	
Support 1	Support 2	Support 3	38438
38229	37951	37742	

Market Synopsis

Silver trading range for the day is 37951-38925.

Silver prices remained supported as the release of upbeat data Chinese economic growth boosted demand for the precious metal.

San Francisco Fed President John Williams said that the bank could hike rates two or three times this year.

Holdings at ishares silver trust dropped by 0.85% i.e. 88.78 tonnes to 10366.70 tonnes from 10455.48 tonnes.

Investors also pushed back expectations on the timing of the next rate hike by the Federal Reserve after dovish comments from Fed Chair Janet Yellen.

BUY SILVER MAY @ 38250 SL 37950 TGT 38560-38850.MCX

Chart



Market Synopsis

Silver on MCX settled up 0.52% at 38507 as prices remained supported as the release of upbeat data Chinese economic growth boosted demand for the precious metal. San Francisco Fed President John Williams said that the bank could hike rates two or three times this year, while Richmond Fed President Jeffrey Lacker said the Fed will likely have to do it four times. Meanwhile, Philadelphia Fed President Patrick Harker believed in an unchanged policy until inflation hits the target level of 2%. Then Atlanta Fed President Dennis Lockhart called for more rate hikes by the Fed for 2016, but preferably not in April due to recent weak CPI and consumer spending figures. Markets remain uncertain over when the Federal Reserve (Fed) will lift its interest rates next, and how many rate hikes will the US economy face over this year. The US central bank must remain increasingly cautious when deciding about the future monetary policy path, Fed Chair Janet Yellen said in an interview with the Times published late on Wednesday. Atlanta Fed President Dennis Lockhart said on Thursday that there is still time for two or three rate hikes this year. Chicago Fed President Charles Evans will be speaking later on Friday, while a set of economic news scheduled for the day could offer a better picture about the health of the US economy, which may also influence the US dollar and subsequently gold. Technically market is under short covering as market has witnessed drop in open interest by -0.52% to settled at 11836 while prices up 201 rupee, now Silver is getting support at 38229 and below same could see a test of 37951 level, And resistance is now likely to be seen at 38716, a move above could see prices testing 38925.

MCX Crudeoil Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
2750	2750	2664	2698	-3.26	10600	124656

Resistance 1	Resistance 2	Resistance 3	P. Point
2744	2790	2830	
Support 1	Support 2	Support 3	2704
2658	2618	2572	

Market Synopsis

Crudeoil trading range for the day is 2618-2790.

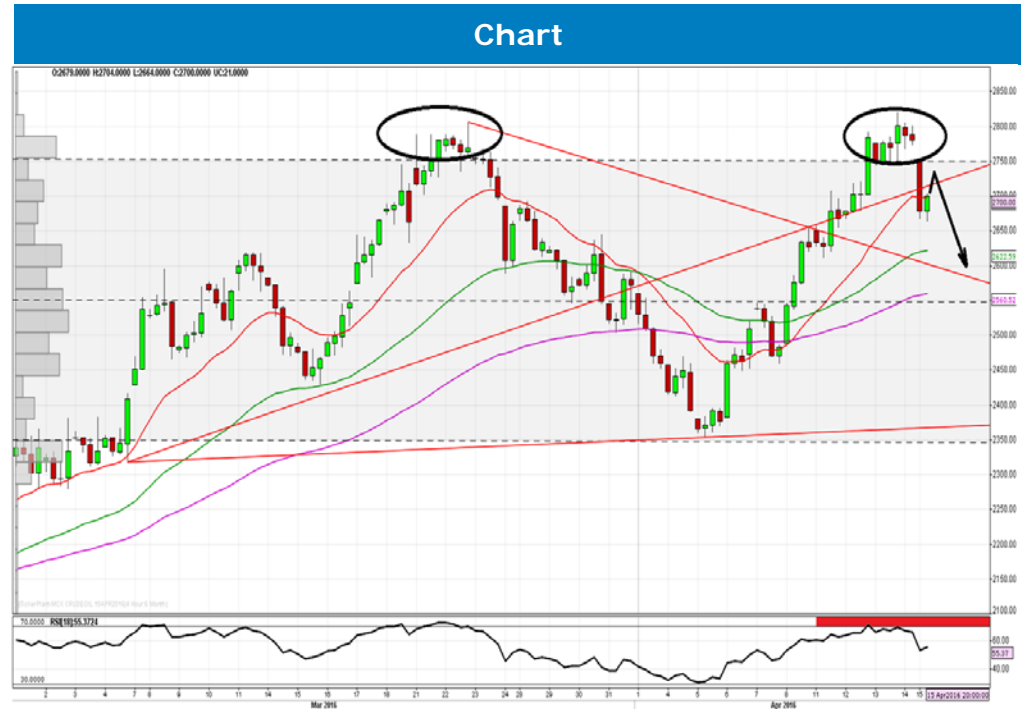
Crude oil prices dropped ahead of a weekend meeting that could yield an output freeze by major producers.

The long awaited oil output freeze deal in Doha did not materialize after Saudi Arabia demanded Iran take part in the agreement.

The IEA expressed similar doubts that a deal could help boost persistently low oil prices.

Any agreement between OPEC and Non-OPEC to freeze production near current levels will have "limited impact" on global supply.

SELL CRUDE OIL APR BELOW 2640 SL 2700 TGT 2590-2520.MCX



Market Synopsis

Crudeoil on MCX settled down -3.26% at 2698 ahead of a weekend meeting that could yield an output freeze by major producers, while the U.S. dollar and stocks across the globe edged lower but posted weekly gains. The International Energy Agency (IEA) expressed similar doubts that a deal could help boost persistently low oil prices. Any agreement between OPEC and Non-OPEC to freeze production near current levels will have "limited impact" on global supply, as markets are unlikely to "rebalance before 2017," the IEA said. If the Doha meeting fails to succeed and limit production, oil prices will have a problem since they cannot depend on demand as growth slows down significantly. This year's growth in global oil demand will ease to around 1.2 million barrels per day (mb/d), much lower than last year's 1.8 mb/d increase, according to the newly released IEA Oil Market Report for April. This is mostly caused by a significant deceleration in China, the US and most of Europe. Flash data for Q1 showed that a slowdown is already occurring, as growth on a yearly basis reached 1.2mb/d, after the Q4 2015 1.4 md/d increase and growth of 2.3 mb/d in Q3. On the other hand, supply dropped by 0.3 mb/d in March to 96.1 mb/d, and year-on-year gains shrunk to 0.2mb/d from the 1.7mb/d reached in the previous month. The forecast for non-OPEC production remained unchanged from last month's OMR at 57 mb/d, 0.7mb/d less than last year's average. Technically market is under long liquidation as market has witnessed drop in open interest by -35.27% to settled at 10600, now Crudeoil is getting support at 2658 and below same could see a test of 2618 level, And resistance is now likely to be seen at 2744, a move above could see prices testing 2790.

MCX Copper Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
318.5	318.5	314.9	317.2	-0.92	17240	19842

Resistance 1	Resistance 2	Resistance 3	P. Point
318.8	320.5	322.5	
Support 1	Support 2	Support 3	316.8
315.1	313.1	311.4	

Market Synopsis

Copper trading range for the day is 313.1-320.5.

Copper prices ended with losses amid with mixed data out of the US and China fueling speculation over the health of the global economy.

Import of unwrought copper and products to China rose for the first time in 2016, growing 36% on a monthly basis to 570,000 metric tons.

The People's Bank of China's (PBoC) effort to regain confidence in the Chinese economy and prevent a major recession appears to be working.

Warehouse stock for Copper at LME was at 147975mt that is up by 1475mt.

SELL COPPER APR @ 319.50 SL 323 TGT 316.50-312.80.MCX

Chart



Market Synopsis

Copper on MCX settled down -0.92% at 317.15 amid with mixed data out of the US and China fueling speculation over the health of the global economy. The People's Bank of China's (PBoC) effort to regain confidence in the Chinese economy and prevent a major recession appears to be working. Still, it was the slowest rate of expansion since 1990 and follows sub-optimal growth in emerging markets and developed nations – causing the International Monetary Fund to cut its global growth forecast to 3.2 percent from 3.4 percent. Chinese data was encouraging with first-quarter GDP growth at 6.7 percent was slightly lower than October-December's growth of 6.8 percent but within Beijing's full-year growth target range of 6.5-7.0 percent. Import of unwrought copper and products to China rose for the first time in 2016, growing 36% on a monthly basis to 570,000 metric tons, data from China's custom administration showed. Figures for the first quarter showed a 30% increase to 1.43 million tons. The Organisation of Economic Cooperation and Development's (OECD) January composite leading indicators (CLIs) released Tuesday point toward signs of easing growth globally. The CLI is designed to predict turning points in economic activity and the latest report signaled a mixed outlook across the OECD. Stable growth was predicted in Italy and the wider euro zone, while in France and India the composite index indicates stabilizing growth momentum. Technically market is under fresh selling as market has witnessed gain in open interest by 1.5% to settled at 17240 while prices down -2.95 rupee, now Copper is getting support at 315.1 and below same could see a test of 313.1 level, And resistance is now likely to be seen at 318.8, a move above could see prices testing 320.5.

MCX Nickel Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
595.8	596.9	587.1	593.7	-1.03	12390	15524

Resistance 1	Resistance 2	Resistance 3	P. Point
598.1	602.4	607.9	
Support 1	Support 2	Support 3	592.6
588.3	582.8	578.5	

Market Synopsis

Nickel trading range for the day is 582.8-602.4.

Nickel prices dropped after strong Chinese economic data raised fears that government stimulus programmes in China.

China posted its slowest economic growth since 2009, but a surge of new debt appears to be fuelling a recovery in factory activity.

Also weighing on markets was uncertainty ahead of the weekend's meeting of major oil exporters, who want to rein in ballooning global production.

Warehouse stock for Nickel at LME was at 424212mt that is down by -2970mt.

BUY NICKEL APR @ 585 SL 575 TGT 595-605.MCX

Chart



Market Synopsis

Nickel on MCX settled down -1.03% at 593.7 after strong Chinese economic data raised fears that government stimulus programmes in the top metals consumer are not sustainable, and as the market also looked ahead to a key meeting of oil producers. China posted its slowest economic growth since 2009, but a surge of new debt appears to be fuelling a recovery in factory activity, investment and household spending in the world's second-largest economy. Also weighing on markets was uncertainty ahead of the weekend's meeting of major oil exporters, who want to rein in ballooning global production. Chinese indicators, on the face of them, were encouraging for metals demand. Industrial output growth quickened to 6.8 percent in March, surprising analysts who had expected it to rise 5.9 percent on an annual basis. The People's Bank of China's (PBoC) effort to regain confidence in the Chinese economy and prevent a major recession appears to be working. Data was encouraging with first-quarter GDP growth at 6.7 percent was slightly lower than October-December's growth of 6.8 percent but within Beijing's full-year growth target range of 6.5-7.0 percent. In US data, Empire State manufacturing, industrial production in April came in at 9.6, besting the 2.1 forecast. Capacity utilisation rate in March was 74.8 percent, missing the estimate of a 75.4 percent increase, while industrial production month-over-month in March was -0.6 percent, off the mark of a -0.1 percent downturn. Technically market is under long liquidation as market has witnessed drop in open interest by -7.96% to settled at 12390 while prices down -6.2 rupee, now Nickel is getting support at 588.3 and below same could see a test of 582.8 level, And resistance is now likely to be seen at 598.1, a move above could see prices testing 602.4.

MCX Zinc Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
123.9	124.8	122.9	124.3	0.61	5067	15917

Resistance 1	Resistance 2	Resistance 3	P. Point
125.2	126.0	127.2	
Support 1	Support 2	Support 3	124.0
123.2	122.0	121.2	

Market Synopsis

Zinc trading range for the day is 122-126.

Zinc gained after Chinese trade data brightened the outlook for demand in the world's biggest metals consumer, prompting some investors to shift.

Zinc has rebounded by about 30 percent since touching a 6-1/2 year low of \$1,444.50 in mid January as investors expect mine closures to lead to shortages

Zinc weekly stocks at Shanghai exchange came up by 149 tonnes.

Warehouse stock for Zinc at LME was at 415100mt that is down by -3450mt.

BUY ZINC APR @ 123 SL 121.50 TGT 124.50-127.MCX

Chart



Market Synopsis

Zinc on MCX settled up 0.61% at 124.3 after Chinese trade data brightened the outlook for demand in the world's biggest metals consumer, prompting some investors to shift back to commodities. Price gains in zinc and other industrial metals had a snowball effect as they pushed through key levels, sparking more buying by speculators based on technical signals. Zinc has rebounded by about 30 percent since touching a 6-1/2 year low of \$1,444.50 in mid January as investors expect mine closures to lead to shortages. China's exports in March returned to growth for the first time in nine months, adding to further signs of stabilisation in the world's second-largest economy that cheered regional investors. Combined zinc inventories in Shanghai, Tianjin and Guangdong fell 6,100 to 391,600 tonnes this past week. Declines in total inventories in the three regions slowed noticeably. Arriving shipments decreased due to maintenance at some zinc smelters and transportation problem. But zinc smelters mainlining normal production sold actively due to rising zinc prices. At the same time, outward shipments were down as downstream buying interest weakened. In its latest Zinc sector forecast report, the Chinese state-owned metals consultancy Beijing Antaika has lowered the zinc concentrate demand forecast for year 2016. The revised forecast is on the back of country's struggling galvanized steel sector, Antaika noted. The People's Bank of China's (PBoC) effort to regain confidence in the Chinese economy and prevent a major recession appears to be working. Technically market is under fresh buying as market has witnessed gain in open interest by 16.19% to settled at 5067, now Zinc is getting support at 123.2 and below same could see a test of 122 level, And resistance is now likely to be seen at 125.2, a move above could see prices testing 126.

MCX Aluminium Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
103.3	103.4	102.6	103.3	-0.24	3155	2640

Resistance 1	Resistance 2	Resistance 3	P. Point
103.7	104.0	104.6	
Support 1	Support 2	Support 3	103.1
102.8	102.2	101.9	

Market Synopsis

Aluminium trading range for the day is 102.2-104.

Aluminium prices dropped dented by uncertainty after China agreed to scrap some export subsidies on a range of products, including aluminium.

China's exports in March returned to growth for the first time in nine months, adding to further signs of stabilisation in China's economy that cheered regional investors.

Around 116,050 tonnes more inventories were due to leave LME-approved warehouses after a steady stream of withdrawal notices in recent weeks.

Warehouse stock for Aluminium at LME was at 2712850mt that is down by -8650mt.

BUY ALUMINIUM APR @ 102 SL 1010 TGT 103.50-105.50.MCX

Chart



Market Synopsis

Aluminium on MCX settled down -0.24% at 103.3 dented by uncertainty after China agreed to scrap some export subsidies on a range of products, including aluminium. Aluminium stocks at three major Japanese ports stood at 345,600 tonnes at the end of March, down 5.5 percent from a month earlier. China's deal could flood a saturated global market with aluminium and steel products as producers scramble to sell excess metal ahead of the changes, prolonging the industry's pain. Chinese indicators, on the face of them, were encouraging for metals demand. Industrial output growth quickened to 6.8 percent in March. China's economy grew 6.7 percent in the first quarter from a year earlier, meeting expectations and providing additional evidence that a slowdown in the world's second-largest economy may be bottoming out. China's real estate investment rose 6.2 percent in the first quarter from a year ago, with the amount of physical property sold rising by 33.1 percent. Chinese banks made 1.37 trillion yuan (\$211.23 billion) in new local-currency loans in March, beating analyst expectations, as the central bank seeks to keep policy accommodative to underpin the slowing economy. China's bold deal to ditch its disputed export tax rebates on some niche aluminium and steel products could flood the saturated global market, as producers scramble to sell excess metal ahead of the changes, prolonging the industry's pain. Technically market is under fresh selling as market has witnessed gain in open interest by 3.04% to settled at 3155 while prices down -0.25 rupee, now Aluminium is getting support at 102.8 and below same could see a test of 102.2 level, And resistance is now likely to be seen at 103.7, a move above could see prices testing 104.

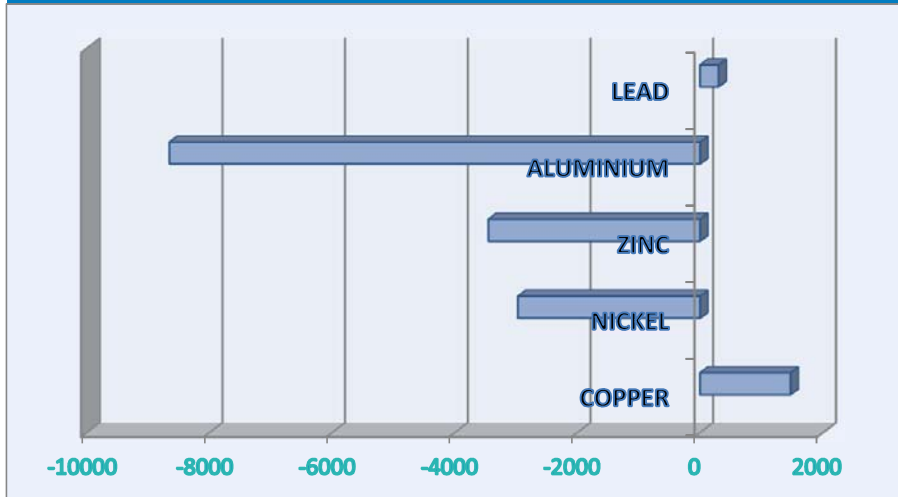
Economical Data

Time	Zone	Data	Fore.	Prev.
Tentative	EUR	German Buba Monthly Report		
6:00pm	USD	FOMC Member Dudley Speaks		
7:30pm	USD	NAHB Housing Market Index	59.000	58.000

Daily Spread Opportunity

Commodity	Months	Spread	Remark
MCX Gold	Jun 2016 Aug 2016	204	Spread between Gold JUN & AUG contracts yesterday ended at Rs.204, we have seen yesterday Gold future had traded in a positive zone and settled 0.69% up.
MCX Silver	May 2016 Jul 2016	560	Spread between Silver MAY & JUL contracts yesterday ended at Rs.560, we have seen yesterday Silver future had traded in a positive zone and settled 0.52% up.
MCX Crude	Apr 2016 May 2016	107	Spread between Crude oil APR & MAY contracts yesterday ended at Rs.107, we have seen yesterday Crude oil future had traded in a negative zone and settled -3.26% down.
MCX Copper	Apr 2016 Jun 2016	4.95	Spread between Copper APR & JUN contracts yesterday ended at Rs.4.95, we have seen yesterday Copper future had traded in a negative zone and settled -0.92% down.
MCX Nickel	Apr 2016 May 2016	6.1	Spread between Nickel APR & MAY contracts yesterday ended at Rs.6.1, we have seen yesterday Nickel future had traded in a negative zone and settled -1.03% down.

LME Daily Stock



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