

Daily Commodity Market Buzz as on

Wednesday, April 13, 2016

Item	Open	High	Low	Close	% Cng	OI	Trend
Bullion							
MCX Gold	29284	29495	29240	29336	0.02	9971	↑
MCX Silver	37685	38370	37515	38312	1.45	11095	↑
Spot Gold \$	1255.40	1256.75	1252.00	1252.63	-0.21		↓
Spot Silver \$	16.16	16.19	16.06	16.08	-0.50		↓
Energy							
MCX Crude	2673	2792	2667	2782	4.35	18318	↑
MCX Natural Gas	128.4	132	128.2	131.5	2.98	6466	↑
Spot Crude \$	40.22	42.23	40.11	41.98	3.73		↑
Spot Nat.Gas \$	2.016	2.021	2.009	2.013	0.01		↑
Base Metals							
MCX Copper	308.1	315.95	307.75	315.15	2.57	19047	↑
MCX Nickel	570.7	591.9	570	589.4	3.84	15283	↑
MCX Zinc	116.7	122.5	116.4	122.35	4.84	4336	↑
MCX Lead	112.65	114.65	111.8	114.4	1.64	3592	↑
MCX Aluminium	99.9	102.05	99.75	101.8	2.11	4214	↑
LME Copper	4787	4855	4775	4822	0.87		↑
LME Nickel	8860	8975	8830	8865	0.00		↑
LME Zinc	1848	1859	1842	1846	-0.05		↓
LME Lead	1729	1740	1721	1730	0.46		↑
LME Aluminium	1538	1542	1534	1539	0.13		↑
Forex							
Dollar Index	94.04	94.18	94.00	94.14	0.11		↑
EURUSD	1.1386	1.1391	1.1365	1.1370	-0.13		↓
GBPUSD	1.4263	1.4279	1.4256	1.4264	0.01		↑
USDINR	66.57	66.68	66.50	66.56	-0.13	2159407	↓
EURINR	75.94	76.36	75.86	75.94	-0.05	65324	↓
GBPINR	94.73	95.56	94.71	95.24	0.38	20366	↑
JPYINR	61.38	61.59	61.38	61.43	-0.25	26364	↓

Market Review

Bullion

Gold settled flat as the dollar bounced from eight-month lows, offsetting gains from earlier in the session when investors piled into the safe-haven asset. The International Monetary Fund cut its global growth forecast for 2016, citing persistently low oil prices, a continued slowdown in the Chinese economy and weakness in advanced and emerging markets.

Energy

Crude oil gains after a report that top producers Russia and Saudi Arabia have agreed to freeze output. Many members of OPEC plus outside producers such as Russia are meeting Doha, Qatar, on Sunday to discuss freezing output. Naturalgas prices rallied on short-covering on expectations of a drop in US production.

Base Metals

Base metals prices rallied as a falling dollar and a recovery in oil prices boosted sentiment towards commodities. Prices were also seen supported as encouraging economic signals from China were offset by a looming slowdown in seasonal demand

MCX Gold Jun 2016

Open	High	Low	Close	% Cng	OI	Vol
29284	29495	29240	29336	0.02	9971	15675

Resistance 1	Resistance 2	Resistance 3	P. Point
29474	29612	29729	
Support 1	Support 2	Support 3	29357
29219	29102	28964	

Market Synopsis

Gold trading range for the day is 29102-29612.

Gold settled flat as the dollar bounced from eight-month lows, offsetting gains from earlier in the session when investors piled into the safe-haven asset.

The International Monetary Fund lowered its global economic growth forecasts for the remainder of the year.

SPDR gold trust holdings dropped by 0.22% i.e. 1.79 tonnes to 817.81 tonnes from 819.60 tonnes.

Gold also benefited from weakness in stock markets, as a downbeat first batch of corporate results prodded stock markets lower.

BUY GOLD JUNE @ 29150 SL 28950 TGT 29350-29580.MCX

Chart



Market Synopsis

Gold on MCX settled up 0.02% at 29336 traded flat as the dollar bounced from eight-month lows, offsetting gains from earlier in the session when investors piled into the safe-haven asset after the IMF lowered its global economic growth forecasts for the remainder of the year. The Dollar has been on the back foot since Fed Chair Janet Yellen last month doused expectations for hikes in US interest rates anytime soon. Scaled-back expectations for further monetary tightening this year helped gold to its best quarter in nearly 30 years in the three months to March, after the U.S. central bank raised rates in December for the first time in nearly a decade. Weak economic data and uncertainty over U.S. monetary policy has contributed to risk aversion, boosting investor appetite for bullion and other assets perceived as safer stores of value, including the Japanese yen. The latest weekly Comex gold data recorded a decline in net long gold positions, but positions were still close to two-month highs. There was a decline of 0.22% in exchange-traded Fund SPDR Gold Trust as of April 5th, which suggests there may have been more aggressive central bank or retail buying. Meanwhile in India more than half of Indian jewellers reopened their shops this week after keeping them closed for nearly six weeks in protest over the reintroduction of excise duty on gold jewellery. The resumption in business could boost demand and support global prices trading near their highest in three weeks. Technically market is getting support at 29219 and below same could see a test of 29102 level, And resistance is now likely to be seen at 29474, a move above could see prices testing 29612.

MCX Silver May 2016

Open	High	Low	Close	% Cng	OI	Vol
37685	38370	37515	38312	1.45	11095	25973

Resistance 1	Resistance 2	Resistance 3	P. Point
38617	38921	39472	
Support 1	Support 2	Support 3	38066
37762	37211	36907	

Market Synopsis

Silver trading range for the day is 37211-38921.

Silver gains tracking firmness in base metals and crude oil prices on the back of expectations that the Fed will stick to a cautious approach on tightening monetary policy.

The Fed will likely have to raise interest rate around four times this year, Richmond Fed President Jeffrey Lacker said

Gold/silver ratio, hit its lowest in three weeks as silver outperformed gold, an ounce of gold now buys 77.7 ounces of silver, compared with 83.3 ounces in late February.

Speculation that interest rates will stay low also helped gold and silver in their own right.

BUY SILVER MAY @ 38100 SL 37700 TGT 38550-38900.MCX

Chart



Market Synopsis

Silver on MCX settled up 1.45% at 38312 as the dollar remained weaker on the back of expectations that the Fed will stick to a cautious approach on tightening monetary policy. The dollar index edged down to 93.95, not far from Monday's trough of 93.74, the lowest level since October. The dollar has weakened across the board after recent dovish comments by Fed Chair Janet Yellen prompted investors to push back expectations on the timing of the next interest rate increase. The dollar showed little reaction to comments from Dallas Fed President, who said Monday he is "very open-minded" to deciding whether to raise rates at the bank's June meeting, but ruled out an April rate hike. Sentiments dropped yesterday after update that IMF cut its global growth forecast for 2016 in its latest WEO, citing persistently low oil prices, a continued slowdown in the Chinese economy and weakness in advanced and emerging markets. As a result, the IMF now predicts that the global economy will increase by 3.2% in 2016, down slightly from forecasts of 3.4% three months ago. In advanced economies in particular, the IMF expects modest growth of 2% on the year, amid weak demand, unfavorable demographics and low productivity. Meanwhile the gold/silver ratio, which measures the number of silver ounces needed to buy an ounce of gold, hit its lowest in two months as silver outperformed gold. An ounce of gold now buys 77.7 ounces of silver, compared with 83.3 ounces in late February. Gold found the expected resistance at \$1,260 and it was only when silver took off that it managed to get through. Technically market is getting support at 37762 and below same could see a test of 37211 level, And resistance is now likely to be seen at 38617, a move above could see prices testing 38921.

MCX Crudeoil Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
2673	2792	2667	2782	4.35	18318	225280

Resistance 1	Resistance 2	Resistance 3	P. Point
2827	2872	2952	
Support 1	Support 2	Support 3	2747
2702	2622	2577	

Market Synopsis

Crudeoil trading range for the day is 2622-2872.

Crude oil after a report that top producers Russia and Saudi Arabia have agreed to freeze output.

Many members of OPEC plus outside producers such as Russia are meeting Doha, Qatar, on Sunday to discuss freezing output.

U.S. crude stocks rose by a larger than expected 6.2 million barrels to 536.3 million last week, data from industry group the API showed.

Global oil demand will grow by 1.16 million barrels per day this year, a 10,000-barrel rise compared with earlier estimates, the EIA said in its monthly forecast.

BUY CRUDE OIL APR @ 2700 SL 2660 TGT 2745-2790.MCX



Market Synopsis

Crudeoil on MCX settled up 4.35% at 2782 amid strong indications that Russia and Saudi Arabia have reached a consensus on a comprehensive production freeze ahead of a highly-anticipated meeting over the weekend in Qatar. Support seen on the news that in the DOHA meeting approaches and members seem to indicate that there might be an agreement to curb production. The oil market plunged to twelve year lows of \$28.50 a barrel in late January but has gradually gained ground in recent weeks as the United States shale sector continues to collapse under the weight of low prices and traders price in optimism that OPEC may act to curb the existing oversupply. Crude extended sharp rises from the end of last week following a decline in US inventories and drilling, while outages and hopes that exporters could freeze output boosted global prices. In February, China's crude imports rose almost 25% on-year to 31.8 million metric tons, equivalent to roughly 8 million barrels a day, the highest daily average on the record. At the same time, analysts said that global oil demand could also accelerate, helping to tighten a market that has suffered from ballooning oversupply since mid-2014. Crude rallied almost more than 6 per cent last week after data showed US energy firms had cut oil rigs for a third straight week to the lowest since November 2009. The bank predicted that sentiment will turn negative again this week leading to lower oil prices. Technically market is under fresh buying as market has witnessed gain in open interest by 2.69% to settled at 18318, now Crudeoil is getting support at 2702 and below same could see a test of 2622 level, And resistance is now likely to be seen at 2827, a move above could see prices testing 2872.

MCX Copper Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
308.1	316.0	307.8	315.2	2.57	19047	57226

Resistance 1	Resistance 2	Resistance 3	P. Point
318.3	321.2	326.5	
Support 1	Support 2	Support 3	313.0
310.1	304.8	301.9	

Market Synopsis

Copper trading range for the day is 304.8-321.2.

Copper gained as encouraging economic signals from China were offset by a looming slowdown in seasonal demand.

Signs in China's physical market were also looking positive, with local metal trading at a premium to front month ShFE futures for the past four sessions.

Federal Reserve Chair Janet Yellen said that the U.S. central bank's interest-rate decisions will depend on how the economy performs.

Warehouse stock for Copper at LME was at 146450mt that is down by -900mt.

BUY COPPER APR @ 313 SL 309 TGT 317.50-320.MCX

Chart



Market Synopsis

Copper on MCX settled up 2.57% at 315.15 benefited mainly due to short-covering as improved sentiment around China's economy, including reports of increased car sales in March and some increasingly positive market expectations for the country's GDP, scheduled to be released this week. Copper prices have suffered over the past year as investors worry over China's economy and slowing demand for the industrial metal, despite several rounds of stimulus from the country's central bank. Metals extended gains despite a stronger US dollar, which rebounded from a more than seven-month low against a basket of currencies. Earlier, a softer US dollar had supported metals markets, but the bounce in the greenback failed to dampen the advance in metals. Usually a firmer dollar curbs metal prices by making commodities priced in the US currency more expensive for buyers using other currencies. Investors were waiting for upcoming reports from mining groups, which will give signals about how production suspensions and closures have affected overall output levels. Yesterday LME Copper climbed 2.2 per cent to close at \$US4,765 a tonne, lifting from seven-week lows as encouraging economic signals from China were offset by a looming slowdown in seasonal demand. Market players will be paying attention to a handful of FOMC member speeches in the week ahead to further judge the balance of opinion among policymakers on the prospect of further rate hikes. US data on retail sales and consumer price inflation will also be in focus as investors look for further indications on the strength of the economy. Technically market is getting support at 310.1 and below same could see a test of 304.8 level, And resistance is now likely to be seen at 318.3, a move above could see prices testing 321.2.

MCX Nickel Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
570.7	591.9	570.0	589.4	3.84	15283	30021

Resistance 1	Resistance 2	Resistance 3	P. Point
597.6	605.7	619.5	
Support 1	Support 2	Support 3	583.8
575.7	561.9	553.8	

Market Synopsis

Nickel trading range for the day is 561.9-605.7.

Nickel gained bolstered by higher oil prices and hopes that production cuts at mines were starting to curb surpluses.

Investors were waiting for upcoming reports from mining groups, which will give signals about how production suspensions and closures have affected overall output levels.

Nickel, mainly used to make stainless steel, slid more than 40 percent last year, which has piled pressure on producers.

Warehouse stock for Nickel at LME was at 428640mt that is up by 198mt.

BUY NICKEL APR @ 582 SL 575 TGT 595-610.MCX

Chart



Market Synopsis

Nickel on MCX settled up 3.84% at 589.40 gained sharply tracking firmness from LME nickel surged 3.6 per cent to close at \$US8,860 a tonne after touching \$US8,890, the highest since March 18. Support seen on the speculation that the production side has been very constrained, there have been a lot of closures, although of course there are still an awful lot of stocks out there for the market to absorb. Metals extended gains despite a stronger US dollar, which rebounded from a more than seven-month low against a basket of currencies. Earlier, a softer US dollar had supported metals markets, but the bounce in the greenback failed to dampen the advance in metals. Usually a firmer dollar curbs metal prices by making commodities priced in the US currency more expensive for buyers using other currencies. Market players will be paying attention to a handful of FOMC member speeches in the week ahead to further judge the balance of opinion among policymakers on the prospect of further rate hikes. US data on retail sales and consumer price inflation will also be in focus as investors look for further indications on the strength of the economy. In the week ahead, market players will be turning their attention to key economic data out of China, with Friday's first quarter GDP report in the spotlight. Technically market is under short covering as market has witnessed drop in open interest by -11.7% to settled at 15283 while prices up 21.8 rupee, now Nickel is getting support at 575.7 and below same could see a test of 561.9 level, And resistance is now likely to be seen at 597.6, a move above could see prices testing 605.7.

MCX Zinc Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
116.7	122.5	116.4	122.4	4.84	4336	32207

Resistance 1	Resistance 2	Resistance 3	P. Point
124.4	126.5	130.5	
Support 1	Support 2	Support 3	120.4
118.3	114.3	112.2	

Market Synopsis

Zinc trading range for the day is 114.3-126.5.

Zinc prices ended with gains after LME inventories fell 6,025 tonnes or 1.4 percent, the biggest decline since September 2007.

LME zinc stocks have shed 16 percent since Feb. 18 as the impact of mine shutdowns is felt in the market.

Zinc daily stocks at Shanghai exchange came down by 149 tonnes.

Warehouse stock for Zinc at LME was at 423725mt that is down by -6025mt.

BUY ZINC APR @ 121 SL 120 TGT 123.20-125.MCX

Chart



Market Synopsis

Zinc on MCX settled up 4.84% at 122.35 after LME inventories fell 6,025 tonnes or 1.4 per cent, the biggest decline since September 2007. LME zinc stocks have shed 16 per cent since February 18 as the impact of mine shutdowns is felt in the market. Yuntong Zinc Industry Co. produced over 24,000 tonnes of zinc ingot as of March 20, up nearly 20% compared with the same period of 2015. It operated near capacity, with sulfuric acid output up over 4% year-on-year. Zinc ore inventories at headquarters are nearly 3,900 tonnes as of March 20, and those in other processing plants totaled over 4,800 tonnes, well preparing for future production. Shanghai zinc followed strong gains in London to also make a clear break of the 200-day moving average, which fuelled buying by momentum-following funds. Federal Reserve Chair Janet Yellen said that the U.S. central bank's interest-rate decisions will depend on how the economy performs. The International Monetary Fund warned of the risk of political isolationism, notably Britain's possible exit from the European Union, and the risk of growing economic inequality as it cut its global growth forecast for the fourth time in a year. Economists say that China grew at its slowest pace since the financial crisis in the first quarter, highlighting continued downward pressure on the world's second-largest economy despite some tentative recent signs of stabilization. Technically market is under fresh buying as market has witnessed gain in open interest by 18.89% to settled at 4336 while prices up 5.65 rupee, now Zinc is getting support at 118.3 and below same could see a test of 114.3 level, And resistance is now likely to be seen at 124.4, a move above could see prices testing 126.5.

MCX Aluminium Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
99.9	102.1	99.8	101.8	2.11	4214	7928

Resistance 1	Resistance 2	Resistance 3	P. Point
102.7	103.5	105.0	
Support 1	Support 2	Support 3	101.2
100.4	98.9	98.1	

Market Synopsis

Aluminium trading range for the day is 98.9-103.5.

Aluminium prices ended with gains helped by a rise in crude oil prices and signs of stabilizing demand in China.

Chinese aluminium production in February fell to 2.07 million tonnes, down from 2.48 million in January, data from the IAI showed.

Aluminum daily stocks at Shanghai exchange came up by 545 tonnes.

Warehouse stock for Aluminium at LME was at 2735200mt that is down by -7450mt.

BUY ALUMINIUM APR @ 100.80 SL 100 TGT 102.20-103.50.MCX

Chart



Market Synopsis

Aluminium on MCX settled up 2.11% at 101.80 helped by a rise in crude oil prices and signs of stabilizing demand in China. Chinese aluminium production in February fell to 2.07 million tonnes, down from 2.48 million in January, data from the International Aluminium Institute showed. The International Monetary Fund warned of the risk of political isolationism, notably Britain's possible exit from the European Union, and the risk of growing economic inequality as it cut its global growth forecast for the fourth time in a year. Russia's aluminium exports grew significantly during the first two months of the year, reports showed, citing Russian Customs data. Exports of the light metal totaled 574,400 tonnes January-February 2016, up from 567,100 tonnes in the same period last year. As much as 566,200 tonnes of them went to non-CIS countries. The U.S. International Trade Commission said it has launched an investigation into the U.S. aluminium industry and global trade in the metal, a move was aimed at staunching a steady flow of Chinese exports. Investors were waiting for upcoming reports from mining groups, which will give signals about how production suspensions and closures have affected overall output levels. Earlier, a softer dollar had supported metals markets, but the bounce in the greenback failed to dampen the advance in metals. Usually a firmer dollar curbs metal prices by making commodities priced in the U.S. currency more expensive for buyers using other currencies. Technically market is under short covering as market has witnessed drop in open interest by -26.51% to settled at 4214 while prices up 2.11 rupee, now Aluminium is getting support at 100.4 and below same could see a test of 98.9 level, And resistance is now likely to be seen at 102.7, a move above could see prices testing 103.5.

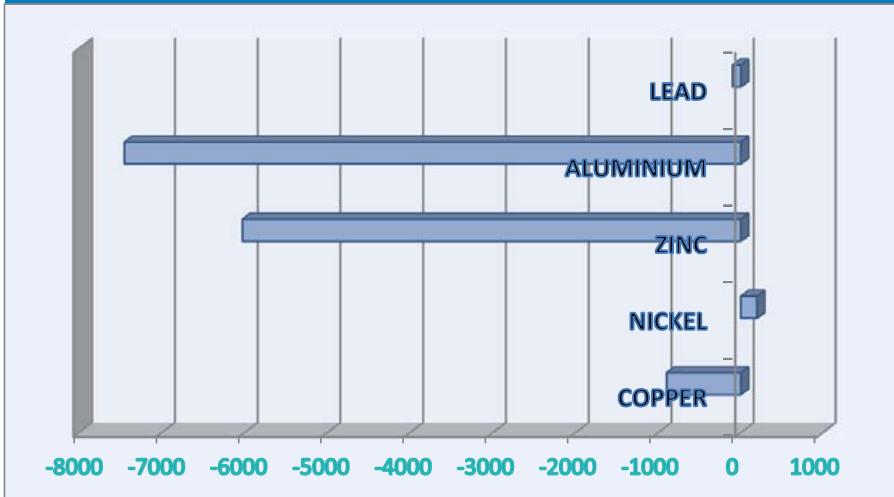
Economical Data

Time	Zone	Data	Fore.	Prev.
12:15pm	EUR	French Final CPI m/m	0.007	0.007
2:30pm	EUR	Industrial Production m/m	-0.006	0.021
6:00pm	USD	Core Retail Sales m/m	0.004	-0.001
6:00pm	USD	PPI m/m	0.003	-0.002
6:00pm	USD	Retail Sales m/m	0.001	-0.001
6:00pm	USD	Core PPI m/m	0.001	
7:30pm	USD	Business Inventories m/m	0.001	0.001
8:00pm	USD	Crude Oil Inventories	0.9M	-4.9M
10:31pm	USD	10-y Bond Auction		1.90 2.5
11:30pm	USD	Beige Book		

Daily Spread Opportunity

Commodity	Months	Spread	Remark
MCX Gold	Jun 2016 Aug 2016	177	Spread between Gold JUN & AUG contracts yesterday ended at Rs.177, we have seen yesterday Gold future had traded in a positive zone and settled 0.02% up.
MCX Silver	May 2016 Jul 2016	480	Spread between Silver MAY & JUL contracts yesterday ended at Rs.480, we have seen yesterday Silver future had traded in a positive zone and settled 1.45% 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 positive zone and settled 4.35% up.
MCX Copper	Apr 2016 Jun 2016	4.65	Spread between Copper APR & JUN contracts yesterday ended at Rs.4.65, we have seen yesterday Copper future had traded in a positive zone and settled 2.57% up.
MCX Nickel	Apr 2016 May 2016	5.9	Spread between Nickel APR & MAY contracts yesterday ended at Rs.5.9, we have seen yesterday Nickel future had traded in a positive zone and settled 3.84% up.

LME Daily Stock



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