

Daily Commodity Market Buzz as on

Thursday, April 21, 2016

Item	Open	High	Low	Close	% Cng	OI	Trend
Bullion							
MCX Gold	29324	29418	29170	29317	-0.03	9225	↓
MCX Silver	39850	40290	39578	40132	0.97	10352	↑
Spot Gold \$	1242.50	1248.60	1242.10	1247.81	0.42		↑
Spot Silver \$	16.94	17.12	16.88	17.09	0.92		↑
Energy							
MCX Crude	2804	2926	2755	2919	3.73	19618	↑
MCX Natural Gas	138.1	141.5	136.5	138.4	0.95	4833	↑
Spot Crude \$	41.55	44.20	41.26	43.79	7.04		↑
Spot Nat.Gas \$	2.073	2.100	2.069	2.080	0.01		↑
Base Metals							
MCX Copper	324.25	327.95	321.85	327.4	0.55	16252	↑
MCX Nickel	608	618.7	602.5	613.2	0.51	13277	↑
MCX Zinc	126.5	127.9	126	126.75	-0.43	5348	↓
MCX Lead	116.3	118.2	116	117.35	0.73	2938	↑
MCX Aluminium	105.05	107.6	104.9	107.4	2.14	2408	↑
LME Copper	4976	4989	4960	4971	-0.03		↓
LME Nickel	9310	9365	9270	9325	0.59		↑
LME Zinc	1929	1935	1920	1925	-0.10		↓
LME Lead	1772	1781	1772	1774	0.20		↑
LME Aluminium	1624	1624	1617	1618	-0.40		↓
Forex							
Dollar Index	94.53	94.62	94.49	94.55	0.02		↑
EURUSD	1.1300	1.1306	1.1286	1.1297	-0.03		↓
GBPUSD	1.4333	1.4339	1.4318	1.4332	-0.01		↓
USDINR	66.40	66.42	66.16	66.29	-0.53	2010168	↓
EURINR	75.46	75.54	75.21	75.40	0.02	61937	↑
GBPINR	95.03	95.47	95.02	95.31	0.84	19852	↑
JPYINR	61.35	61.35	60.63	60.67	-1.36	18801	↓

Market Review

Bullion

Gold prices settled flat as the US dollar regained its footing ahead of the European Central Bank (ECB) meeting. The upcoming ECB meeting underpinned the greenback against the euro, even though officials are unlikely to make policy changes following last month's big stimulus boost.

Energy

Crude oil prices rallied after the EIA reported that the inventory build trailed expectations and speculation of further freeze talks aided the rally. The EIA reported that U.S. crude inventories increased by 2.08 million barrels in the latest week, bringing total crude stocks to 538.6 million barrels. Natural gas prices gained but dropped from the day's high as market player remained divided about the impact of falling production and heavy stockpiles.

Base Metals

Base metals prices ended with gains as investors' confidence is returning to the market, supported by an improved China outlook, upbeat US earnings releases and a weaker dollar. China's industrial output surprised to the upside last month, while rising property prices suggested an economic recovery was taking root.

MCX Gold Jun 2016

Open	High	Low	Close	% Cng	OI	Vol
29324	29418	29170	29317	-0.03	9225	14000

Resistance 1	Resistance 2	Resistance 3	P. Point
29434	29550	29682	
Support 1	Support 2	Support 3	29302
29186	29054	28938	

Market Synopsis

Gold trading range for the day is 29054-29550.

Gold prices settled flat as the US dollar regained its footing ahead of the European Central Bank (ECB) meeting.

Demand for the metal was also underpinned by the view that the Federal Reserve is likely to stick to a cautious approach on future interest rates increases.

Bullion traders will be eyeing the ECB meeting later in the session for any impact on the dollar.

The focus will also be on U.S. economic data that could affect the Federal Reserve's monetary policy.

BUY GOLD JUNE @ 29150 SL 29000 TGT 29300-29550.MCX

Chart



Market Synopsis

Gold on MCX settled down -0.03% at 29317 little changed as traders are waiting for further clues from on interest rates from the Federal Reserve. Yesterday gold closed within a tight trading band of 1% or less from its previous session's settlement level for the third time in the last four trading days. Barring unforeseen circumstances, Market expect gold to remain in a holding pattern for the next several days ahead of the Federal Open Market Committee's (FOMC) interest rate decision on April 27. In each of its first two meetings this year, the FOMC has held its benchmark Federal Funds Rate steady at a targeted range between 0.25 and 0.50%. While from physical side from India early forecasts are for an improved monsoon season in India, which should support well for gold. The physical market in the country is "gradually returning to life" after a long strike by jewelers protesting government tax policies, even discounts dropped to \$5 against \$20 last week as compare with LBMA. While Holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, slid 7.43 tonnes to 805.03 tonnes on Tuesday, the biggest drop in a month. Persistent outflows could undermine the price rally. Now Bullion traders will be eyeing the ECB meeting later in the session for any impact on the dollar. The ECB is not expected to make any policy change at its rate-setting meeting today. The focus will also be on US economic data that could affect the Federal Reserve's monetary policy. Technically now Gold is getting support at 29186 and below same could see a test of 29054 level, And resistance is now likely to be seen at 29434, a move above could see prices testing 29550.

MCX Silver May 2016

Open	High	Low	Close	% Cng	OI	Vol
39850	40290	39578	40132	0.97	10352	28841

Resistance 1	Resistance 2	Resistance 3	P. Point
40422	40712	41134	
Support 1	Support 2	Support 3	40000
39710	39288	38998	

Market Synopsis

Silver trading range for the day is 39288-40712.

Silver rallied as a softer dollar and optimism about the Chinese economy buoyed the white metal.

The gold/silver ratio has dropped to below 74, its lowest level since early November.

Assets in silver-backed exchange traded funds are near their highest since 2014, supporting the price rally.

Investors await cues from key central bank meetings on tap in the coming days.

BUY SILVER MAY @ 39950 SL 39700 TGT 40280-40600.MCX

Chart



Market Synopsis

Silver on MCX settled up 0.97% at 40132 tracking firmness from Comex Silver prices which settled at their highest level in more than 11 months Wednesday advanced nearly 1%, to settle at \$17.13 an ounce buoyed by expectations for higher industrial demand, but gold prices barely budged as investors await cues from key central bank meetings on tap in the coming days. Global economic recovery hopes are helping silver to gain ground on gold. The gold/silver ratio has dropped to below 74, its lowest level since early November. Silver prices are up about 24% this year, outperforming gold's more than 18% rise. Silver has outperformed other precious metals in recent days, helped by a break through chart resistance at its late October high on Tuesday and increasing optimism about China. Silver has more industrial use than the other precious metals. The gold/silver ratio, which measures the number of silver ounces needed to buy an ounce of gold, hit its lowest in nearly six months at 73.1. Also Silver exchange-traded funds, which have attracted inflows of more than 1,200 tonnes since early March, rose another 38 tonnes on Tuesday, when prices surged 4.4 percent. Barring unforeseen circumstances, expect gold to remain in a holding pattern for the next several days ahead of the FOMC interest rate decision on April 27. In each of its first two meetings this year, the FOMC has held its benchmark Federal Funds Rate steady at a targeted range between 0.25 and 0.50%. Technically market is under short covering as market has witnessed drop in open interest by -4.87% to settled at 10352 while prices up 385 rupee, now Silver is getting support at 39710 and below same could see a test of 39288 level, And resistance is now likely to be seen at 40422, a move above could see prices testing 40712.

MCX Crudeoil May 2016

Open	High	Low	Close	% Cng	OI	Vol
2804	2926	2755	2919	3.73	19618	256031

Resistance 1	Resistance 2	Resistance 3	P. Point
2979	3038	3150	
Support 1	Support 2	Support 3	2867
2808	2696	2637	

Market Synopsis

Crudeoil trading range for the day is 2696-3038.

Crude surged to fresh yearly highs as inventories rose less than industry expectation, support seen despite Kuwait oil workers ended their 3-day strike.

The U.S. Energy Information Administration reported a 2.1 million-barrel climb in crude-oil supplies for the week ended April 15.

Russia said it was prepared to push oil production to historic highs, just days after a global deal to freeze output levels collapsed.

Kuwait oil strike reduced the country's daily production from 3 million barrels to about 1.1 million barrels.

BUY CRUDE OIL MAY @ 2900 SL 2860 TGT 2956-2990.MCX



Market Synopsis

Crudeoil on MCX settled up 3.73% at 2919 surged to a five-month high on Wednesday after an unexpected drop in US distillate stockpiles persuaded traders to shrug off a rising crude surplus and the end of a Kuwaiti oil-workers' strike. Crude prices pared earlier losses after the US EIA said US commercial crude oil inventories increased by 2.1mbls for the week ending on April 15. It came one day after the API said US crude stockpiles rose by 3.1mbls last week. Market expected the Energy Department to report a build of 2.4mbls. At the Cushing Oil Hub in Oklahoma, stockpiles fell by 248,000 barrels, defying expectations for a draw around 1mbls. Inventory levels at Cushing, the main delivery point for NYMEX oil, still remain close to full storage capacity. At 538.6mbls, US crude oil inventories are at historically high levels for this time of year. US crude production, meanwhile, fell by 24,000 bpd to 8.953mbpd, retreating to fresh 18-month lows. It marked the 12th time domestic crude output has decreased in the last 13 weeks. Last June, US production hovered near 9.6mbpd, its highest level in more than 40 years. Earlier, crude sunk to session-lows after workers in Kuwait ended a three-day strike that slashed the OPEC producer's daily output by nearly half. Soon after, Reuters reported that Kuwait upped its production to 1.6mbpd, from Sunday's level of 1.1 million. The strike commenced after the completion of failed negotiations over the weekend in Qatar, when 18 OPEC and Non-OPEC members were unable to reach a deal on a comprehensive production freeze. Technically market is getting support at 2808 and below same could see a test of 2696 level, And resistance is now likely to be seen at 2979, a move above could see prices testing 3038.

MCX Copper Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
324.3	328.0	321.9	327.4	0.55	16252	41981

Resistance 1	Resistance 2	Resistance 3	P. Point
329.6	331.8	335.7	
Support 1	Support 2	Support 3	325.7
323.5	319.6	317.4	

Market Synopsis

Copper trading range for the day is 319.6-331.8.

Copper prices ended with gains buoyed by a generally brightening picture for global growth.

The global world refined copper market showed a 56,000-tonne surplus in January, compared with a 50,000-tonne deficit in December, ICSG said

The total net long position of funds trading copper on the LME fell to 28,694 lots last Friday from a net long position of 30,092 lots the previous week, data showed.

Warehouse stock for Copper at LME was at 146200mt that is up by 1500mt.

BUY COPPER ABV 323 SL BELOW 319 TGT 326.80-329.50. MCX (BTST)

Chart



Market Synopsis

Copper on MCX settled up 0.55% at 327.40 after strong gains in oil the session before stoked investor appetite for commodities already buoyed by a generally brightening picture for global growth. Confidence is returning to the market, supported by an improved China outlook, upbeat US earnings releases and a weaker dollar against other major currencies. The global world refined copper market showed a 56,000-tonne surplus in January, compared with a 50,000-tonne deficit in December, the International Copper Study Group (ICSG) said in its latest monthly bulletin. Prices also got support after Chile's state-run mining company, Codelco, said Monday that operations at its El Teniente copper mine will be suspended for six days due to torrential rains over the weekend that caused heavy flooding. A series of improving data out of China since the start of the year including industrial output, property and lending has also helped to lift sentiment towards commodities. But brightening the broader economic outlook, U.S. home resales rebounded more than expected in March as supply improved, suggesting the housing market recovery remained intact despite signs that economic growth probably stalled in the first quarter. China will take steps to boost exports, including encouraging banks to boost lending, expanding export credit insurance and raise tax rebates for some firms, the cabinet said on Wednesday, in the latest step to underpin growth. Technically market is under short covering as market has witnessed drop in open interest by -5.51% to settled at 16252 while prices up 1.8 rupee, now Copper is getting support at 323.5 and below same could see a test of 319.6 level, And resistance is now likely to be seen at 329.6, a move above could see prices testing 331.8.

MCX Nickel Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
608.0	618.7	602.5	613.2	0.51	13277	32834

Resistance 1	Resistance 2	Resistance 3	P. Point
620.5	627.7	636.7	
Support 1	Support 2	Support 3	
604.3	595.3	588.1	611.5

Market Synopsis

Nickel trading range for the day is 595.3-627.7.

Nickel gains as investors' confidence is returning to the market, supported by an improved China outlook, upbeat US earnings releases and a weaker dollar.

A series of improving data out of China since the start of the year including industrial output, property and lending has also helped to lift sentiment.

U.S. home resales rebounded more than expected in March as supply improved, suggesting the housing market recovery remained intact

Warehouse stock for Nickel at LME was at 425220mt that is up by 1140mt.

BUY NICKEL APR ABV 611 SL BELOW 598 TGT 624-636. MCX (BTST)

Chart



Market Synopsis

Nickel on MCX settled up 0.51% at 613.20 due to improving technical outlook following the recent uptrend. Confidence is returning to the market, supported by an improved China outlook, upbeat US earnings releases and a weaker dollar against other major currencies. Support also seen fuelled by a recovery in steel, talk of stockpiling by China's state buyer and a 24 percent reduction in China's nickel output in the first two months of the year. China's leaders sound more confident that the world's second-largest economy has arrested a slide in growth to quarter-century lows, but their policy advisers caution it is too early to call an end to a cycle of easing that began in 2014. A series of improving data out of China since the start of the year including industrial output, property and lending has also helped to lift sentiment towards commodities. But brightening the broader economic outlook, U.S. home resales rebounded more than expected in March as supply improved, suggesting the housing market recovery remained intact despite signs that economic growth probably stalled in the first quarter. China will take steps to boost exports, including encouraging banks to boost lending, expanding export credit insurance and raise tax rebates for some firms, the cabinet said on Wednesday, in the latest step to underpin growth. While the FOMC is unexpected to raise short-term interest rates at next week's meeting, the Fed could provide clues on the timing of its next rate hike. Technically market is under short covering as market has witnessed drop in open interest by -3.65% to settled at 13277, now Nickel is getting support at 604.3 and below same could see a test of 595.3 level, And resistance is now likely to be seen at 620.5, a move above could see prices testing 627.7.

MCX Zinc Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
126.5	127.9	126.0	126.8	-0.43	5348	20992

Resistance 1	Resistance 2	Resistance 3	P. Point
127.8	128.8	129.7	
Support 1	Support 2	Support 3	126.9
125.9	125.0	124.0	

Market Synopsis

Zinc trading range for the day is 125-128.8.

Zinc dropped on profit booking, but a stream of encouraging signals on China's economy fostered a less bearish outlook.

Zinc inventories dropped for a 30th straight session to 411,050 metric tons, the lowest since August 2009.

Zinc daily stocks at Shanghai exchange came down by 352 tonnes.

Warehouse stock for Zinc at LME was at 410050mt that is down by -1050mt.

BUY ZINC APR @ 126 SL 124 TGT 128.50-130.50.MCX

Chart



Market Synopsis

Zinc on MCX settled down -0.43% at 126.75 on profit booking, but a stream of encouraging signals on China's economy fostered a less bearish outlook. LME zinc rose 0.2 per cent to close at \$US1940 a tonne, the highest since July 31, 2015. Zinc inventories dropped for a 30th straight session to 411,050 metric tons, the lowest since August 2009, as supply cuts and the closing last year of China's MMG Ltd. Century mine and Vedanta Resources Plc's Lisheen mine boosted the need for supplies on exchanges. Chinese new-home prices rose last month in 62 of 70 cities tracked, compared with 47 cities in February, helping boost the demand outlook for the metal. Continued drawdown of those LME exchange inventories suggest there's potentially some physical demand that has to be bid up because of a supply-side issue. According to data from the International Lead and Zinc Study Group (ILZSG), both metals were in surpluses of 34,000 tonnes and 66,000 tonnes respectively in the first two months of the year. But brightening the broader economic outlook, U.S. home resales rebounded more than expected in March as supply improved, suggesting the housing market recovery remained intact despite signs that economic growth probably stalled in the first quarter. Technically market is under long liquidation as market has witnessed drop in open interest by -11.76% to settled at 5348 while prices down -0.55 rupee, now Zinc is getting support at 125.9 and below same could see a test of 125 level, And resistance is now likely to be seen at 127.8, a move above could see prices testing 128.8.

MCX Aluminium Apr 2016

Open	High	Low	Close	% Cng	OI	Vol
105.1	107.6	104.9	107.4	2.14	2408	7766

Resistance 1	Resistance 2	Resistance 3	P. Point
108.3	109.3	111.0	
Support 1	Support 2	Support 3	106.6
105.6	103.9	102.9	

Market Synopsis

Aluminium trading range for the day is 103.9-109.3.

Aluminium as the appetite for risk increased among investors who were more upbeat about the Chinese economy and considered commodities as being relatively cheap.

Total primary aluminium output in top producer China climbed in March to 2.62 million tonnes from 2.07 million tonnes in February, IAI data showed.

Aluminium daily stocks at Shanghai exchange came down by 3646 tonnes.

Warehouse stock for Aluminium at LME was at 2688975mt that is down by -6800mt.

BUY ALUMINIUM APR @ 106 SL 104.50 TGT 108.20-109.50.MCX



Market Synopsis

Aluminium on MCX settled up 2.14% at 107.40 tracking firmness from LME Aluminium which hit a six-month peak on Wednesday as the appetite for risk increased among investors who took a more upbeat view on the Chinese economy and saw commodities as relatively cheap. A bounce in oil prices also bolstered metals markets, helping send zinc to the highest since July last year and copper to a four-week high. Three-month aluminium on the LME climbed 2.2% to close at \$US1622.50 a tonne, the strongest since October 2015. Aluminium is the top gainer on the LME over the past month, up some 6 per cent after producers cut output, but market is wary about further gains, partly due to expected producer forward selling above \$US1600. Meanwhile Primary aluminium output in top producer China climbed in March to 2.62 million tonnes from 2.07 million tonnes in February, data from the IAI showed. Support also seen after China's industrial output surprised to the upside last month, while rising property prices suggested an economic recovery was taking root. Now Investors are continued to await next week's interest rate decision by the Fed for further indications on the path of tightening the US central bank will embark on for the remainder of 2016. The next the FOMC interest rate decision on April 27. In each of its first two meetings this year, the FOMC has held its benchmark Federal Funds Rate steady at a targeted range between 0.25 and 0.50%. Technically market is getting support at 105.6 and below same could see a test of 103.9 level, And resistance is now likely to be seen at 108.3, a move above could see prices testing 109.3.

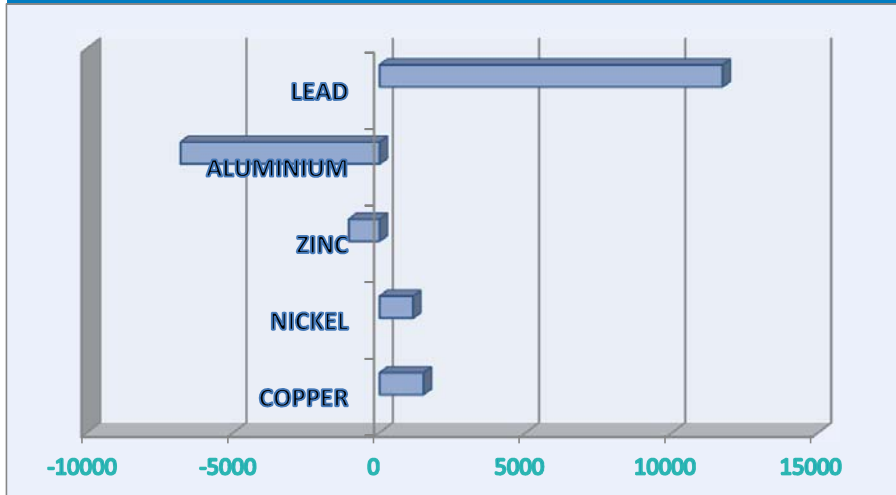
Economical Data

Time	Zone	Data	Fore.	Prev.
Tentative	EUR	Spanish 10-y Bond Auction		1.50 1.5
5:15pm	EUR	Minimum Bid Rate		
6:00pm	EUR	ECB Press Conference		
6:00pm	USD	Philly Fed Manufacturing Index	8.100	12.400
6:00pm	USD	Unemployment Claims	265K	253K
6:30pm	USD	HPI m/m	0.004	0.005
7:30pm	EUR	Consumer Confidence	-9.000	-10.000
7:30pm	USD	CB Leading Index m/m	0.004	0.001
8:00pm	USD	Natural Gas Storage	6B	-3B

Daily Spread Opportunity

Commodity	Months	Spread	Remark
MCX Gold	Jun 2016 Aug 2016	207	Spread between Gold JUN & AUG contracts yesterday ended at Rs.207, we have seen yesterday Gold future had traded in a negative zone and settled -0.03% down.
MCX Silver	May 2016 Jul 2016	627	Spread between Silver MAY & JUL contracts yesterday ended at Rs.627, we have seen yesterday Silver future had traded in a positive zone and settled 0.97% up.
MCX Crude	May 2016 Jun 2016	74	Spread between Crude oil MAY & JUN contracts yesterday ended at Rs.74, we have seen yesterday Crude oil future had traded in a positive zone and settled 3.73% 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 0.55% up.
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 positive zone and settled 0.51% up.

LME Daily Stock



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