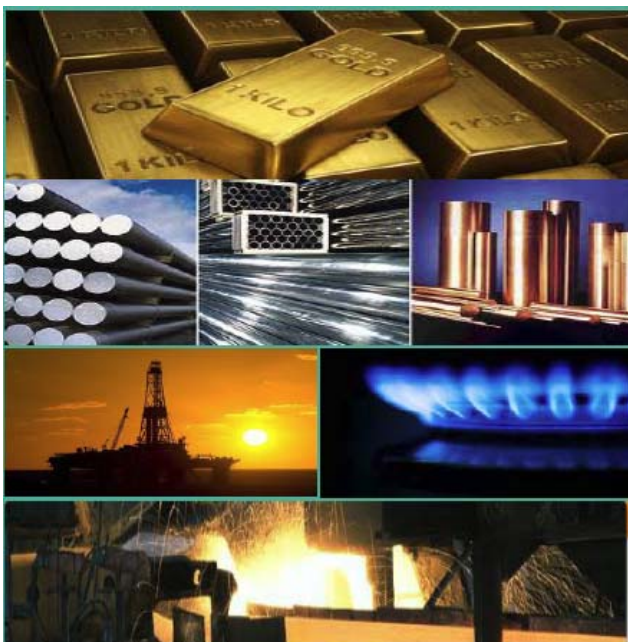


Weekly Market Update

Monday, May 20, 2013



Commodity	Closed	% Change	View
Gold	25835	-4.31	Bullion ended with losses as investors continued to speculate over an earlier-than-expected end to the Federal Reserve's quantitative easing program. Moves in the bullion prices this year have largely tracked shifting expectations as to whether the U.S. central bank would end its bond-buying program sooner-than-expected.
Silver	42629	-5.86	
Crude	5302	0.95	Crude oil last week ended with gains after data showed that U.S. consumer sentiment rose more than expected in May, climbing to an almost six year high. Natural gas last week ended sharply higher, as forecasts showing above-average temperatures for the rest of the month boosted demand expectations for the fuel.
Natural Gas	226	5.56	
Copper	405.60	-1.27	Base metals last week ended with losses as the dollar strengthened and on concern about lacklustre demand for the metal in top consumer China that was compounded by evidence the European and US economies are still struggling. The dollar was boosted amid growing expectations the Fed will wind down its stimulus program, amid indications of an improving U.S. economic outlook.
Zinc	100.35	-1.57	
Nickel	815.2	-4.09	
Aluminium	101.15	-1.27	
Lead	110.65	0.36	

Weekly Market Level for Bullion, Basemetal & Energy

COMMODITIES	GOLD	SILVER	CRUDE	NAT.GAS	COPPER	ZINC	NICKEL	ALUMINUM	LEAD
CLOSE	25835	42629	5302	226.0	405.60	100.35	815.20	101.15	110.65
RESISTANCE	27712	47612	5630	243.4	432.9	106.1	880.0	106.6	117.0
	27315	46476	5469	234.9	422.2	104.2	866.0	104.7	114.0
	26575	44553	5386	230.5	414.0	102.3	840.5	102.9	113.0
P. POINT	26178	43417	5225	222.0	403.3	100.4	826.0	101.0	110.0
SUPPORT	25438	41494	5142	217.6	395.1	98.5	800.8	99.3	109.0
	25041	40358	4981	209.1	384.4	96.6	786.3	97.4	106.0
	24301	38435	4898	204.7	376.2	94.7	761.1	95.6	105.0
Trend	WEAK	WEAK	POSITIVE	POSITIVE	POSITIVE	WEAK	WEAK	POSITIVE	POSITIVE

Weekly Market Update

Bullion



Bullion last week dropped as investors continued to speculate over an earlier-than-expected end to the Federal Reserve's quantitative easing program. Moves in the bullion prices this year have largely tracked shifting expectations as to whether the U.S. central bank would end its bond-buying program sooner-than-expected. Some chart-based selling also weighed after prices broke below key support levels, triggering a flurry of automatic sell orders. Bullion prices struggled due to a broadly stronger U.S. dollar, as dollar-priced commodities become more expensive to investors holding other currencies when the greenback gains. The dollar index, which tracks the performance of the greenback against a basket of six other major currencies, rose 0.5% on Friday to settle the week at 84.34, the strongest level since July 2010. The dollar was boosted amid growing expectations the Fed will wind down its stimulus program, amid indications of an improving U.S. economic outlook. The Fed is currently running a USD85 billion monthly asset-purchasing program, which weakens the greenback to spur recovery. Data on Friday showed that U.S. consumer sentiment rose more than expected in May, climbing to an almost six year high. The University of Michigan said its consumer sentiment index jumped to 83.7 in May, its highest level since 2007, from 76.4 in the preceding month, outstripping expectations for a reading of 78.0. A separate report by the Conference Board showed that its index of leading economic indicators rose 0.6% in April, more than double the 0.2% increase expected by economists. Meanwhile, a bearish technical outlook continued to weigh on the precious metal. Sentiment on the precious metal was further dampened after quarterly financial filings released earlier in the week showed that hedge fund billionaire George Soros cut his holdings of gold-backed exchange-traded products in the first quarter. Funds run by Blackrock and Northern Trust also showed reductions, underlining concerns that investment demand is fading as U.S. stock markers rally to all-time highs.



Weekly Market Update

Energy



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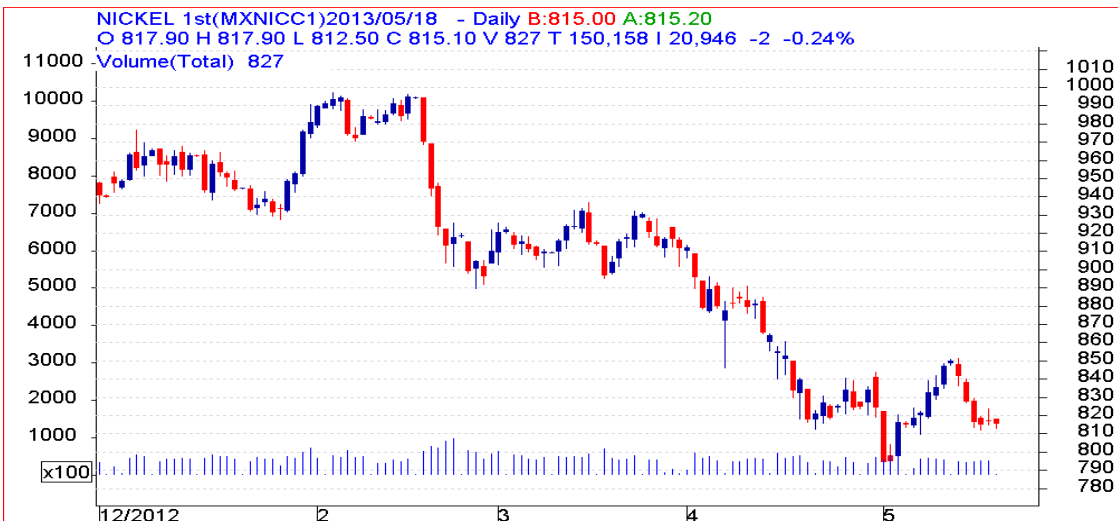
Crude oil last week ended with gains after data showed that U.S. consumer sentiment rose more than expected in May, climbing to an almost six year high. Oil prices drew further support from rising U.S. equities markets, with the S&P 500 index closing at a fresh record high on Wall Street. Gains were limited as the dollar index, which tracks the performance of the greenback against a basket of six other major currencies, rose 0.5% on Friday to settle the week at 84.34, the strongest level since July 2010. In the week ahead, oil traders will be focusing on Wednesday's Federal Reserve minutes, as well as testimony on the economic outlook and monetary policy by Fed Chairman Ben Bernanke. Markets will also be awaiting the release of key euro zone data on manufacturing and service sector activity. Natural gas last week ended sharply higher, as forecasts showing above-average temperatures for the rest of the month boosted demand expectations for the fuel. Prices accelerated gains towards the end of the session as a round of technical buying kicked in after prices broke firmly above the key USD4.00-level, triggering a flurry of automatic buy signals amid bullish chart signals. Updated weather forecasting models pointed to a wider swath of above-normal temperatures in the central U.S. in the next two weeks, boosting near-term cooling demand expectations. Demand for natural gas tends to rise in the summer months as warmer temperatures increase the need for gas-fired electricity to power air conditioning. The EIA data showed that natural gas storage in the U.S. rose by 99 billion cubic feet, above expectations for an increase of 95 billion cubic feet. Inventories rose by 30 billion cubic feet in the same week a year earlier, while the five-year average change for the week is a rise of 69 billion cubic feet. Early injection estimates for this week's storage data range from 87 billion cubic feet to 100 billion cubic feet, compared to a 75 billion cubic feet increase during the same week a year earlier.



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Weekly Market Update

Base Metal



Base metals last week ended with losses as the dollar strengthened and on concern about lacklustre demand for the metal in top consumer China that was compounded by evidence the European and United States economies are still struggling. The depth of the euro zone's downturn was shown in data last week. Falling prices in Germany and France pulled consumer inflation to a three-week low in April, highlighting the risk of deflation, and imports fell 10 percent in March. Overall, all commodities are under pressure. This was reflected in reports this week that showed global investment banks suffered another bruising decline in commodity trading in the first three months of this year. The dollar was boosted amid growing expectations the Fed will wind down its stimulus program, amid indications of an improving U.S. economic outlook. The Fed is currently running a USD85 billion monthly asset-purchasing program, which weakens the greenback to spur recovery. Data on Friday showed that U.S. consumer sentiment rose more than expected in May, climbing to an almost six year high. The University of Michigan said its consumer sentiment index jumped to 83.7 in May, its highest level since 2007, from 76.4 in the preceding month, outstripping expectations for a reading of 78.0. China will have to curtail 4 to 5 million tonnes of Aluminium in order to make it manageable. The market sources and Chinese research agency CRU believes that till the time the surplus is curtailed by that much amount it will remain to trouble the markets. China has already slashed 1 million tonnes of output in 2013 so far and is in process of slashing another 2 million tonnes by 2015. Many of the Aluminium players are making losses at current prices and the production is expected to move up by 5.5 percent this year. Data showed China's factory output growth was surprisingly weak in April, while fixed-asset investment also slowed, rekindling concerns that a nascent recovery in the world's top copper consumer is stalling. Copper stocks had been falling in recent weeks, but overall levels remain elevated and analysts expect a surge of new supply from mines this year.

Weekly Market Update

Commodity	View for the week
Gold	SELL GOLD @ 25700 SL 26150 TGT 24800
Silver	SELL SILVER @ 41500 SL 42500 TGT 39500
Crude oil	BUY CRUDE @ 5240 SL 5180 TGT 5360
Natural Gas	SELL NAT.GAS @ 232 SL 238 TGT 215
Copper	SELL COPPER @ 409 SL 415 TGT 390
Zinc	SELL ZINC @ 102 SL 105 TGT 97
Nickel	SELL NICKEL @ 825 SL 840 TGT 790
Aluminium	SELL ALUMINIUM @ 102 SL 104 TGT 97
Lead	SELL LEAD @ 112 SL 115 TGT 105



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