



Metals Daily

Wednesday, June 01, 2016

Commodity	Last	Chg.	% Chg.
Gold / USD Spot	1214.69	9.49	0.79%
Silver / USD Spot	15.981	0.011	0.07%
Crude oil \$ Spot	49.1	-0.26	-0.53%
COMEX Copper \$	343.5	-1.9	-0.55%
LME Copper (3M)	4604.5	-49.5	-1.06%
LME Aluminum (3M)	1551	-6	-0.39%
LME Nickel (3M)	8420	-45	-0.54%
LME Lead (3M)	1685	-7.5	-0.44%
LME Zinc (3M)	1904	-19	-1.00%

Equity	Last	Chg.	% Chg.
BSE Sensex Index	26668.0	-57.6	-0.22%
S&P CNX NIFTY	8160.1	-18.4	-0.22%
Hang Seng Index	20815.1	185.7	0.90%
Shanghai Index	2916.6	94.2	3.34%
Nikkei 225 Index	17235.0	167.0	0.98%
DAX Index	10262.7	-70.5	-0.68%
CAC 40 Index	4505.6	-23.8	-0.53%
Dow Jones	17787.2	-86.0	-0.48%
NASDAQ 100 Index	4523.9	11.4	0.25%

US personal spending rose 1%, the biggest one-month jump in six years and more than the 0.7% increase that was expected.

Market Overview (Economy)

- Asian stocks are mixed to lower in early trade as better US data increased rate hike concerns while Chinese data remained lackluster.
- US personal spending saw its biggest m/m jump in six years while core PCE grew 1.6% y/y.
- Chinese official and private mfg. PMI's diverged with official expanding and private contracting in May.
- In currencies, the dollar index is trading near two month highs and the GBP slumped as a fresh poll showed more people in favor of a Brexit.

Precious Metals

- Gold and silver are higher in early trade on profit-taking but better US data could cap the upside.
- US personal spending rose 1%, the biggest one-month jump in six years and more than the 0.7% increase that was expected. Core PCE rose 1.6% over last year in April.
- Meanwhile a fresh poll in the UK showed increased chances of a Brexit. This could create global market volatility and support gold.
- The trend in precious metals is likely to be range bound to weak in the short term and important US jobs data this week will provide further cues.

Base Metals

- Base metals are mixed in early trade with copper nearly 1% lower as lackluster Chinese data and a stronger dollar weighed on sentiment.
- As per official data, China's manufacturing sector expanded marginally in May to 50.1.
- However, private survey shows that manufacturing shrank for a 15th straight month in May as new orders fell. The index has now been below 50 since March 2015.
- Meanwhile, in the US, both the Chicago PMI and the Dallas Fed activity index declined in May. The Chicago PMI for May fell to 49.3, indicating a slight contraction.
- The focus will be manufacturing PMI's globally today for direction in base metals.

Japanese industrial production unexpectedly rose in April by 0.3% beating market forecasts for a 1.5% drop.

LME Inventory	
Commodity	Change
Copper	-2025
Zinc	-2300
Lead	225
Nickel	-978
Aluminium	-4900
Source: Reuters	

Energy

- Oil prices are lower in early trade after failing to sustain past \$50 again as investors remain wary about a fresh rally in the light of the upcoming OPEC meet.
- The focus will be on the OPEC meeting on 2nd June. The fight for market share among OPEC members continues with Saudi Arabia offering extra crude to customers in Asia.
- Iraq will also supply 5 million barrels of extra crude to its partners in June.
- Some pressure to prices may also come as some of Canada's output is likely to resume by the end of this week.

Iraq will also supply 5 million barrels of extra crude to its partners in June.

Level Playing Sheet

Commodity	Exchange	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Range
Gold	MCX	Aug	28936	28697	28816	28900	29019	29103	Bearish	Moderate	28858 - 29061
Gold	COMEX	Aug	1215	1192	1203	1210	1222	1229	Bearish	Moderate	1207 - 1226
Silver	MCX	July	38400	38075	38237	38514	38676	38953	Bearish	Moderate	38156 - 38595
Silver	COMEX	July	15.97	16.78	16.80	16.80	16.93	17.01	Bearish	Moderate	16.78-17.01
Crude Oil	MCX	Jun	3333	3286	3310	3340	3364	3394	Bullish	Moderate	3298 - 3352
Crude Oil	NYMEX	July	49.10	48.05	48.57	49.34	49.86	50.63	Bearish	Moderate	48.3 - 49.6
Copper	MCX	Jun	312.50	310.30	311.40	313.40	314.50	316.50	Bearish	Low	310.9 - 314
Zinc	MCX	Jun	129.50	126.57	128.03	128.87	130.33	131.17	Bearish	Low	128.5 - 130.8
Lead	MCX	Jun	114.50	113.00	113.75	114.55	115.30	116.10	Bearish	Moderate	114.2 - 115.7
Nickel	MCX	Jun	571.7	563.6	567.6	573.8	577.8	584.0	Bearish	Moderate	571 - 581
Aluminum	MCX	Jun	104.50	103.77	104.13	104.62	104.98	105.47	Bearish	Moderate	104.4 - 105.2

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