



Metals Daily

Wednesday, August 03, 2016

Commodity	Last	Chg.	% Chg.
Gold / US Dollar FX Spot	1363.2	10.35	0.77%
Silver / US Dollar FX Spot	20.607	0.207	1.01%
Crude oil \$ Spot	39.5	-0.55	-1.37%
COMEX Copper \$	343.5	-1.9	-0.55%
LME Copper (3M)	4891.5	5.5	0.11%
LME Aluminum (3M)	1625	4	0.24%
LME Nickel (3M)	10685	-40	-0.37%
LME Lead (3M)	1814	-7.5	-0.41%
LME Zinc (3M)	2263	-12	-0.53%

Equity	Last	Chg.	% Chg.
BSE Sensex Index	27981.7	-21.4	-0.08%
S&P CNX NIFTY	8622.9	-13.6	-0.16%
Hang Seng Index	22129.1	237.8	1.09%
Shanghai SE Composite Index	2971.3	17.9	0.61%
Nikkei 225 Index	16391.5	-244.3	-1.47%
DAX Index	10144.3	-186.2	-1.80%
CAC 40 Index	4328.0	-81.2	-1.84%
Dow Jones Industrial Average Index	18313.8	-90.7	-0.49%
NASDAQ 100 Index	4719.2	-36.8	-0.77%

U.S. economic data yesterday was a mixed bag as Personal income rose 0.2% in June, while personal spending rose 0.4%.

Market Overview (Economy)

- Asian markets are lower in early trade in line with weakness in global markets yesterday as the Japan's stimulus disappointed and as oil prices continued to decline.
- Japan's government unveiled details of its 28 trillion yen (\$273 billion) fiscal stimulus which showed that it would boost spending by 4.6 trillion yen (\$45 billion) in the current fiscal year.
- The dollar index remains weak as the yen and euro soared. The pound is drifting ahead of the BOE outcome tomorrow.

Precious Metals

- Gold prices are flattish today but remain supported as the dollar index weakened sharply and as equities faltered.
- U.S. economic data yesterday was a mixed bag as Personal income rose 0.2% in June, while personal spending rose 0.4%.
- Earlier, data showed that US GDP grew by just 1.2% in the second quarter, nearly half the 2.5% rate expected.
- Physical demand for gold however remains sluggish in India as data show that imports fell for a sixth consecutive month. July imports are estimated to be at just 20 tonnes, down 80% y/y.

Base Metals

- Base metals are mostly mixed but fresh weakness in global equities may weigh on prices as risk sentiment sours. Service PMI's globally are set to be released today which may provide cues to markets.
- China's service PMI suggested a slower pace of expansion in July, coming in at 51.7 compared to expectations of 52.9
- U.S. manufacturing activity eased in July to 52.6 as per ISM data. Markit manufacturing PMI however was unchanged at 52.9. Japanese manufacturing activity meanwhile contracted at a slower pace than expected.
- The total net long position of funds trading copper on the LME rose to 48,190 lots last week from a net long position of 43,786 lots a week ago.

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LME Inventory	
Commodity	Change
Copper	-425
Zinc	-50
Lead	0
Nickel	-204
Aluminium	-9250
Source: Reuters	

Energy

- Oil prices are flat today but fell again yesterday as oversupply concerns continue to weigh on sentiment.
- OPEC oil exports in July were estimated at 24.61 mbpd, up 730,000 bpd m/m. Saudi crude exports were up 0.4 million bpd at 7.63 mbpd.
- Earlier, Saudi Arabia slashed the September price for its Arab Light crude oil for Asian customers by \$1.30 a barrel, the biggest cut a year.
- Meanwhile, API data showed that US crude inventories fell by 1.34 million barrels last week to 518.7 million.
- Exports from southern Iraq in July averaged 3.20 million barrels per day (bpd), up from 3.17 million bpd in June.

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Level Playing Sheet

Commodity	Exchange	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Range
Gold	MCX	Oct	31815	31337	31576	31710	31949	32083	Bullish	Moderate	31643 - 32016
Gold	COMEX	Oct	1364	1340	1352	1359	1371	1378	Bullish	Moderate	1356 - 1375
Silver	MCX	Sep	48071	47115	47593	48019	48497	48923	Bullish	Moderate	47806 - 48710
Silver	COMEX	Sep	20.67	16.78	16.80	16.80	16.93	17.01	Bullish	High	16.78-17.01
Crude Oil	MCX	Aug	2640	2564	2602	2669	2707	2774	Bullish	Moderate	2583 - 2688
Crude Oil	NYMEX	Sep	39.51	38.24	38.88	39.89	40.53	41.54	Bearish	Moderate	38.6 - 40.2
Copper	MCX	Aug	326.65	322.88	324.77	328.08	329.97	333.28	Bearish	Low	326.4 - 331.6
Zinc	MCX	Aug	152.05	150.32	151.18	152.27	153.13	154.22	Bearish	Low	151.7 - 153.7
Lead	MCX	Aug	121.50	120.03	120.77	121.83	122.57	123.63	Bearish	Moderate	120.4 - 122.2
Nickel	MCX	Aug	716.4	694.4	705.4	716.1	727.1	737.8	Bearish	Moderate	700 - 722
Aluminum	MCX	Aug	108.45	107.22	107.83	108.97	109.58	110.72	Bearish	Moderate	107.5 - 109.3

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