



Metals Daily

Thursday, July 07, 2016

Commodity	Last	Chg.	% Chg.
Gold / USD Spot	1363.51	7.82	0.58%
Silver / USD Spot	20.068	0.155	0.78%
Crude oil \$ Spot	47.37	0.64	1.37%
COMEX Copper \$	343.5	-1.9	-0.55%
LME Copper (3M)	4765.5	-3	-0.06%
LME Aluminum (3M)	1652.5	-0.5	-0.03%
LME Nickel (3M)	10070	-40	-0.41%
LME Lead (3M)	1832	-8	-0.44%
LME Zinc (3M)	2112.5	-4.5	-0.21%

Equity	Last	Chg.	% Chg.
BSE Sensex Index	27166.9	-111.9	-0.41%
S&P CNX NIFTY	8336.0	-34.8	-0.42%
Hang Seng Index	20495.3	-255.4	-1.23%
Shanghai Index	3017.3	10.9	0.36%
Nikkei 225 Index	15379.0	-290.3	-1.85%
DAX Index	9373.3	-159.4	-1.67%
CAC 40 Index	4085.3	-78.1	-1.88%
Dow Jones	17918.6	78.0	0.44%
NASDAQ 100 Index	4444.7	34.0	0.77%

Focus will be on Non-farm data from the US due later this week.

Market Overview (Economy)

- Asian markets are mixed in early trade but continue to be underpinned by the evens in the UK post Brexit.
- Over the past couple of days, seven U.K. property funds froze withdrawals amid a surge in redemptions. This led to a global risk-off as the pound slumped to fresh lows.
- Potential for further central bank stimulus globally has however supported risk appetite in recent days. The Fed minutes released yesterday were dovish as expected and all eyes will be on NFP data due tomorrow.

Precious Metals

- Gold prices continue to hold near two-year highs as risk-off sentiment continues to underpin prices despite better US data yesterday.
- The ISM non-manufacturing activity index in the US rose to 56.5 from 52.9 the month before.
- Gold and silver also surging as ETF holdings continue to increase. Global gold ETF holdings have crossed 2000 tonnes.
- Hedge funds and money managers also raised their bullish positions in COMEX gold and silver to record highs. Focus will be on Non-farm data from the US due tomorrow.

Base Metals

- Base metals are flat but have been volatile in the past couple of sessions as global risk sentiment swung.
- Prices also fell as U.S. factory goods orders fell in May on weak demand for transportation and defense capital goods.
- Nickel continues to be the strongest among the base metals pack on possible mine closures in the Philippines. A minister announced plans to review all mines operating in the country.
- Japanese aluminium buyers have agreed to pay producers a premium of \$90 to \$93 per tonne for metal imported in the July-September quarter, from premiums of \$115 to 117 per tonne in the previous quarter

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LME Inventory	
Commodity	Change
Copper	23625
Zinc	0
Lead	-50
Nickel	780
Aluminium	-5300
Source: Reuters	

Energy

- Crude oil prices are higher after a sharp correction over the past couple of days as API reported a big drawdown in US inventories.
- Crude inventories fell by 6.7 million barrels to 520.9 million while gasoline stocks fell by 3.6 million barrels as per API data.
- Wage negotiations between Norwegian oil service workers and their employers also seem to have failed and will support oil prices
- Some support to prices may also come as militants in Nigeria claimed responsibility for new attacks.
- The focus will be on EIA data due later today and gasoline stocks will be closely watched.

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Level Playing Sheet

Commodity	Exchange	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Range
Gold	MCX	Aug	32116	31826	31971	32213	32358	32600	Bullish	Moderate	31899 - 32286
Gold	COMEX	Aug	1365	1350	1358	1366	1374	1382	Bullish	Moderate	1362 - 1378
Silver	MCX	Jul	47788	46859	47323	47915	48379	48971	Bullish	Moderate	47091 - 48147
Silver	COMEX	Sep	20.16	16.78	16.80	16.80	16.93	17.01	Bullish	High	16.78-17.01
Crude Oil	MCX	Jul	3197	3063	3130	3170	3237	3277	Bullish	Moderate	3150 - 3257
Crude Oil	NYMEX	Aug	47.43	45.07	46.25	47.10	48.28	49.13	Bearish	Moderate	46.7 - 48.7
Copper	MCX	Aug	324.35	319.32	321.83	324.62	327.13	329.92	Bearish	Low	320.6 - 325.9
Zinc	MCX	Jul	142.60	138.40	140.50	141.65	143.75	144.90	Bearish	Low	141.1 - 144.3
Lead	MCX	Jul	124.05	120.35	122.20	123.25	125.10	126.15	Bearish	Moderate	122.7 - 125.6
Nickel	MCX	Jul	680.9	640.2	660.6	672.5	692.9	704.8	Bearish	Moderate	667 - 699
Aluminum	MCX	Jul	111.40	109.70	110.55	111.10	111.95	112.50	Bearish	Moderate	110.8 - 112.2

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