

June 30, 2023

## Daily Commodities Outlook

### Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	July	Buy	5680-5690	5810	5620	Intraday
Buldex	July	Sell	15660-15680	15510	15800	Intraday

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## News and Developments

- Spot Gold price slipped below psychological \$1900 level for the first time since mid March 2022 on Thursday after better than expected US economic numbers strengthened the hopes of higher interest rates in US.
- The US GDP in last quarter increased at an annual rate of 2.0% against previous reading of 1.3%. The drop in weekly jobless claims to 239k against forecast of 264k pointed strength in labour market. Meanwhile, drop in pending home sales numbers limited the downside
- Silver prices lost more than 0.50% on Thursday due to strong dollar and rise in US treasury yields after better economic number
- Nymex crude oil price hit the \$70 mark on Thursday as the larger than anticipated decrease in US crude oil inventories by 9.6 million barrels last week has outweighed the strong dollar. In addition, better than expected US economic numbers also provided supported to the oil prices
- Natural gas prices rebounded from its days lows after smaller than expected rise in inventories. US natural gas inventory rose by 76bcf against forecast of 83bcf
- Copper prices extended its recent decline on Thursday amid weak demand in China and hawkish comments from major central banks

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	58002	-0.13%	1915.55	-0.35%
Silver	68128	-1.53%	22.56	-0.59%
Copper	702.00	-0.60%	8172.0	-1.01%
Aluminium	195.25	-0.48%	2162.5	-0.51%
Zinc	210.35	-0.33%	2342.0	-0.32%
Lead	180.50	-0.52%	2057.0	-1.88%
WTI Crude Oil	5739.00	0.23%	69.72	0.23%
US Nat Gas	224.20	0.85%	2.71	1.69%

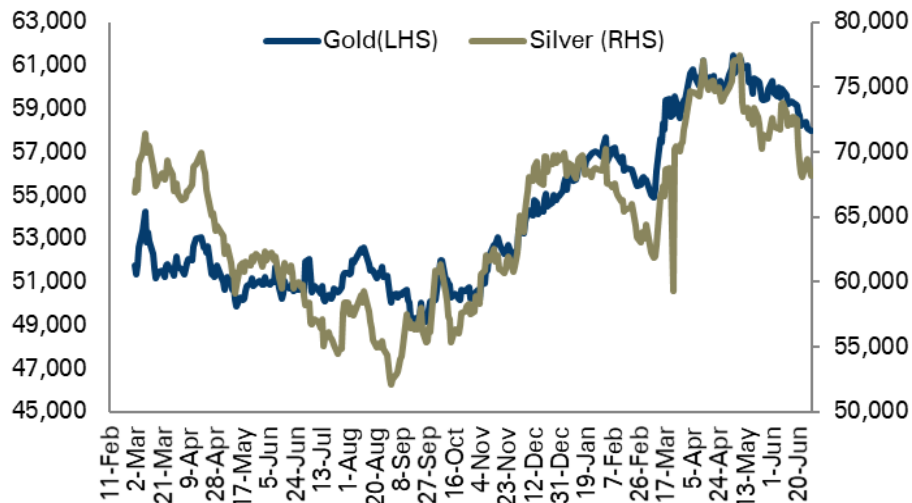
## Daily Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	57442	57722	57931	58211	58420
Silver	66987	67557	68404	68974	69821
Copper	697	700	701	704	705
Aluminium	194	195	195	196	196
Zinc	209	210	210	211	211
Lead	180	180	181	181	181
Crude Oil	5610	5674	5742	5806	5874
Nat Gas	212	218	222	228	232

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	July	Sell	721-722	714	725	Not Initiated
Buldex	July	Sell	15700-15710	15510	15840	Not Initiated

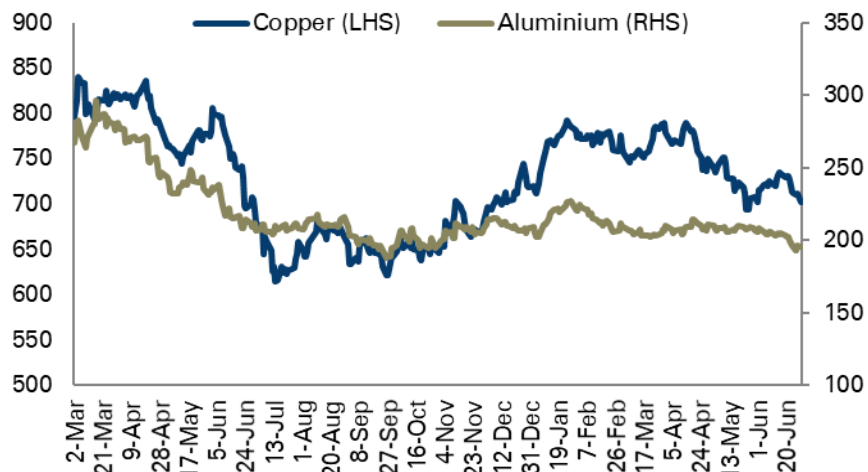
## MCX Gold vs. Silver Performance



## Bullion Outlook

- Spot gold is likely to remain under pressure as better than expected US economic number increased the probability of higher interest rates. Further, rise in US dollar and treasury yields could also hurt the bullion price. The CME FedWatch tool suggest more than 85% probability of 25 bps hike in the upcoming Fed meeting. Meanwhile, investors will remain cautious ahead of US core PCE price index number
- MCX Gold price is likely to decline towards 57650, as long as it trades under the 10 day EMA at ₹58,480. Only close below ₹57650, would weaken towards ₹ 57,300 levels
- MCX Silver is expected to move towards ₹68400 as long as it trades below ₹ 70500 level

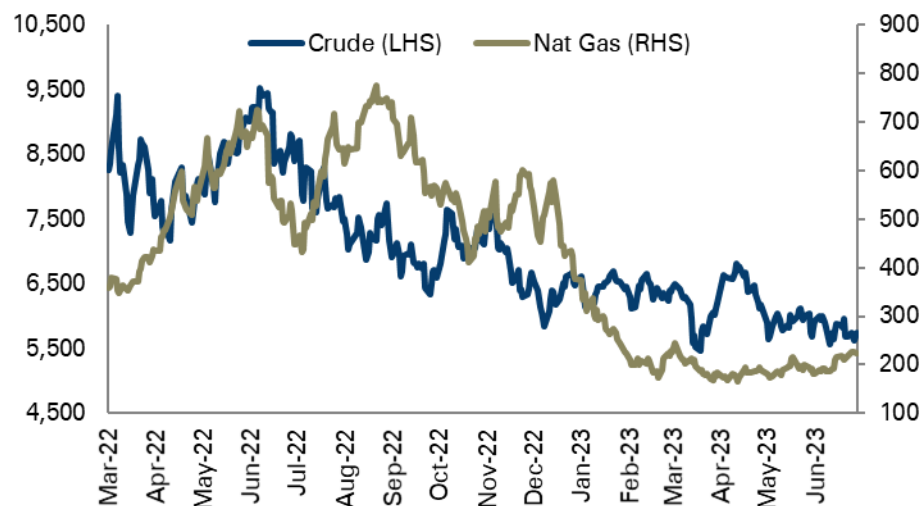
## MCX Copper vs. Aluminium Performance



## Base Metal Outlook

- Copper prices are expected to face the resistance near ₹712 and weaken towards ₹698 on contraction in global manufacturing activities due to higher interest rates. Further, prices may slip on strong dollar and as China's factory activity contracted for 3<sup>rd</sup> consecutive month. However, sharp downside may be cushioned on declining stocks at LME registered warehouses and hopes for more stimulus from China
- MCX Copper is likely to consolidate in a broader range of ₹712 ₹698. Only close below ₹698 it would slip further towards ₹ 692.
- MCX aluminium is expected to weaken towards ₹195, as long as it trades below ₹200.

## MCX Crude Oil vs. Natural Gas Performance



## Energy Outlook

- Crude oil prices are expected to trade with positive bias amid steep drawdown in oil inventories and Saudi Arabia has pledged to sharply cut its oil output in July. Additionally, investors will keep an eye on US Oil rig count data, an indicator of future supply. However, expectation of higher interest rates in western economies to control the inflation could restrict its gain.
- MCX Crude oil is expected to hold the support of ₹5650 and rebound towards the immediate resistance of 10-day EMA at ₹5810
- MCX Natural gas is expected to hold the support of 10 day EMA near ₹217 level and move back towards ₹230 amid forecast of above normal temperature in Texas for the next 10 days.

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
28-06-2023	8:00 PM	-9.6M	-1.4M
22-06-2023	8:30 PM	-3.8M	0.3M
14-06-2023	8:00 PM	7.9M	-1.3M
07-06-2023	8:00 PM	-0.451M	1.022M
01-06-2023	8:30 PM	4.488M	-1.101M
24-05-2023	8:00 PM	-12.456M	-0.920M
17-05-2023	8:00 PM	5.040M	-0.920M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	75425	150	0.20
Nickel	39924	576	1.46
Zinc	80925	3100	3.98
Lead	41100	950	2.37
Aluminium	548100	13750	2.57

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
2:30 PM	Europe	CPI Flash Estimate y/y	5.6%	6.1%
6:00 PM	US	Core PCE Price Index m/m	0.3%	0.4%
7:30 PM	US	Revised UoM Consumer Sentiment	63.90	63.90



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