



Friday, December 14, 2018

	Open	High	Low	Close	% Cng	Round up
Precious Metals						
Gold	31636	31698	31486	31527	-0.65	Gold prices slipped as the dollar steadied and equities climbed on signs of easing trade tensions between the United States and China.
Silver	38400	38522	38224	38356	-0.53	
Base Metal						
Aluminium	138.8	138.9	137	137.7	-0.47	Base metals prices were pressured by a firmer dollar after the European Central Bank trimmed its growth and inflation projections for next year and said the balance of risk was tilted towards the downside. China appears to be easing its high-tech industrial development push, dubbed "Made in China 2025," amid talks between the two countries to reduce trade tensions.
Copper	444.1	447.2	441	441.3	-0.35	
Lead	142.25	142.4	139.45	139.6	-1.55	
Nickel	774.2	781.8	770.6	775.0	0.31	
Zinc	188.7	188.95	185.9	186.6	-0.13	
Energy						
Crude	3713	3750	3616	3716	-0.88	Crude oil prices recovered some of its losses lifted by reports that Saudi Arabia is likely to slash shipments to U.S. refiners.
Nat. Gas	292.6	308	290.2	297.5	-0.30	
Currency						
USDINR	71.88	72.00	71.62	71.80	-0.42	Rupee weakened slightly, in response to a sharp rise in global crude oil prices which threatens to aggravate India's current account deficit.
EURINR	81.82	81.87	81.54	81.81	-0.06	
GBPINR	90.67	91.13	90.45	90.94	0.53	
JPYINR	63.59	63.59	63.25	63.42	-0.43	

View for the Day

BUY GOLD FEB 2019 @ 31400 SL 31250 TGT 31550-31700.MCX
 BUY SILVER MAR 2019 @ 38150 SL 38000 TGT 38400-38650.MCX
 BUY CRUDE OIL ABV 3660 SL BELOW 3616 TGT 3718-3760. MCX (BTST)
 SELL NAT GAS DEC 2018 @ 300.00 SL 307.00 TGT 294.00-285.00.MCX
 BUY COPPER NOV ABV 443 SL BELOW 439.60 TGT 446.40-449.50.MCX (BTST)
 BUY ZINC DEC 2018 @ 185.50 SL 184.50 TGT 186.80-189.00.MCX
 BUY NICKEL DEC ABV 776 SL BELOW 764 TGT 784-794. MCX (BTST)
 BUY ALUMINIUM DEC 2018 @ 136.50 SL 135.00 TGT 137.80-139.00.MCX

DAY	TIME	ZONE	ECONOMICAL DATA	EXP	PREV
	12:30pm	EUR	German WPI m/m	0.003	0.003
	1:45pm	EUR	French Flash Manufacturing PMI	50.7	50.8
	1:45pm	EUR	French Flash Services PMI	54.8	55
	2:00pm	EUR	German Flash Manufacturing PMI	51.7	51.8
	2:00pm	EUR	German Flash Services PMI	53.5	53.3
	2:30pm	EUR	Flash Manufacturing PMI	51.9	51.8
Fri	2:30pm	EUR	Flash Services PMI	53.4	53.1
	7:00pm	USD	Core Retail Sales m/m	0.002	0.007
	7:00pm	USD	Retail Sales m/m	0.001	0.008
	7:45pm	USD	Capacity Utilization Rate	0.786	0.784
	7:45pm	USD	Industrial Production m/m	0.003	0.001
	8:15pm	USD	Flash Manufacturing PMI	55.1	55.4
	8:15pm	USD	Flash Services PMI	55	54.4

Global Market									
\$ Index	Euro	Pound	Yen	DJ	Nasdaq	Hang Seng	Gold\$	Silver\$	Crude \$
97.11	1.13616	1.26306	113.497	2651.07	7098.31	26168	1241.91	14.68	52.58
0.01	0.04	-0.22	-0.09	0.54	0.95	-1.34	0.02	-0.33	2.80

MCX Gold



MCX Gold 05 FEB 2019	
Open	31636
High	31698
Low	31486
Close	31527
% Cng	-0.65
OI	13748
Volume	8059
Resist 3	31866
Resist 2	31782
Resist 1	31654
Support 1	31442
Support 2	31358
Support 3	31230

Gold on MCX settled down -0.65% at 31527 as the dollar stayed steady against most major currencies after the European Central Bank lowered eurozone growth projections for the coming year. The dollar firmed against major counterparts as investor focus shifted to an expected U.S. interest rate hike next week, although gains are likely to be capped on greater uncertainty about next year's policy outlook. The ECB President's warning that the "balance of risks is moving to the downside," and the lowering of GDP and inflation forecasts for the eurozone resulted in the euro losing ground against the greenback. Gold's losses, however, were limited due to rising expectations that the Federal Reserve will pause monetary tightening in the coming year. The Fed, which is likely to raise interest rate by 25 basis points after its policy meeting next Wednesday, is also expected to cut its forecast of 2019 rate increases. Meanwhile, U.S. President Donald Trump said that he hopes the Fed "won't be raising interest rates anymore." The number of Americans filing applications for jobless benefits tumbled to near a 49-year low last week, which could ease concerns about a slowdown in the labour market and economy. The risk of a U.S. recession in the next two years has risen to 40 percent, according to a Reuters poll of economists who also found a significant shift in expectations toward fewer Federal Reserve interest rate rises next year. Technically market is under long liquidation as market has witnessed drop in open interest by -5.93% to settled at 13748 while prices down -205 rupees, now Gold is getting support at 31442 and below same could see a test of 31358 level, And resistance is now likely to be seen at 31654, a move above could see prices testing 31782.

MCX Silver



MCX Silver 05 MAR 2019	
Open	38400
High	38522
Low	38224
Close	38356
% Cng	-0.53
OI	19114
Volume	11232
Resist 3	38808
Resist 2	38665
Resist 1	38510
Support 1	38212
Support 2	38069
Support 3	37914

Silver on MCX settled down -0.53% at 38356 as the dollar rose and investors latched on to gains in global stocks. The number of Americans filing applications for jobless benefits tumbled to near a 49-year low last week, which could ease concerns about a slowdown in economy. The dollar gained helped by a dip in the euro after the European Central Bank reduced growth and inflation projections for next year and said the balance of risk was tilted toward the downside. Also weighing on bullion was an upbeat sentiment for risk, with global stock markets receiving a boost on signs of easing U.S.-China trade tensions. Markets would now be turning their attention to the Federal Open Market Committee (FOMC) meeting on Dec. 18-19, with the focus on the future path of interest rate hikes in 2019. European Union leaders assured Prime Minister Theresa May that the Brexit treaty she agreed last month but is struggling to get through UK parliament should not bind Britain forever to EU rules. The European Central Bank formally ended its 2.6 trillion euro crisis-fighting bond purchase scheme on Thursday but promised to keep feeding stimulus for years into an economy struggling with an unexpected slowdown and political turmoil. US import prices fell by the most in more than three years in November as the cost of petroleum products tumbled and a strong dollar weighed on prices of other goods, reflecting subdued imported inflation in the near term. Technically market is under long liquidation as market has witnessed drop in open interest by -1.17% to settled at 19114, now Silver is getting support at 38212 and below same could see a test of 38069 level, And resistance is now likely to be seen at 38510, a move above could see prices testing 38665.

MCX Crude Oil



MCX Crude Oil 18 DEC 2018	
Open	3713
High	3750
Low	3616
Close	3716
% Cng	-0.88
OI	15379
Volume	197097
Resist 3	3906
Resist 2	3828
Resist 1	3772
Support 1	3638
Support 2	3560
Support 3	3504

Crude oil prices recovered some of its losses lifted by reports that Saudi Arabia is likely to slash shipments to U.S. refiners. According to reports, Saudi Aramco, the state-controlled oil giant of Saudi Arabia, has warned U.S. refiners to prepare for a sharp reduction in cargoes in the coming month. Meanwhile, a report from the IEA said that total global oil supply in November fell by 360,000 barrels a day on month, as a result of outages in the North Sea and Canada, as well as a decline in Russian output. And, the agency kept its oil demand growth forecasts for this year and next unchanged, at 1.3 million barrels a day and 1.4 million barrels a day, respectively. OPEC said demand for its crude in 2019 would fall to 31.44 million barrels per day (bpd), 100,000 bpd less than predicted last month and 1.53 million bpd less than it currently produces. This adds to the concerns of several market watchers that the decision led by the group to cut production might not be enough to override a glut or push prices higher. Oil market participants are concerned about the likelihood of weaker macroeconomic growth, which could rein in any expansion in oil demand. OPEC said it replaced a drop in Iranian exports as U.S. sanctions resumed and lowered the 2019 forecast of demand for its crude, underlining its challenge to prevent a glut building even after last week's decision to trim output. Technically market is under fresh selling as market has witnessed gain in open interest by 4.05% to settled at 15379, now Crudeoil is getting support at 3638 and below same could see a test of 3560 level, And resistance is now likely to be seen at 3772, a move above could see prices testing 3828.

MCX Natural Gas



MCX Natural Gas 26 DEC 2018	
Open	292.6
High	308
Low	290.2
Close	297.5
% Cng	-0.3
OI	2508
Volume	74558
Resist 3	325
Resist 2	316
Resist 1	307
Support 1	289
Support 2	281
Support 3	271

Naturalgas on MCX settled down -0.3% at 297.50 pare gains as EIA reports a weekly decline in supplies that nearly matches expectations. The U.S. EIA reported Thursday that U.S. natural gas stockpiles decreased by 77 billion cubic feet for the week ending December 7. Market were expecting a storage withdrawal in a range of 72 billion to 95 billion cubic feet. The five-year average for the week is a withdrawal of 79 billion cubic feet, and last year's withdrawal totaled 59 billion cubic feet. Natural gas inventories fell by 63 billion cubic feet in the week ending November 30. The start of winter in North Asia, which accounts for 72 percent of global demand, with that amount projected to increase to 75 percent shows a marked difference from last winter where freezing temperatures hit northern China particularly hard, catching the country's energy planners flat-footed. This time last year, Beijing's push to clean up its environment by switching to more gas to offset coal usage had a cataclysmic effect on not only the country but LNG spot prices in the region. It also created a shortage of fuel need for heating in some regions of the country in the dead of winter, sending prices of domestic LNG to three-year highs. Forecasts may be frosty in the days leading up to Christmas, but a lack of reinforcing cold shots seen in the days after winter natural gas prices barreling lower Wednesday, NYMEX-traded January gas futures contract finally broke out of its recent trading wedge as it plunged 27.1 cents to settle at \$4.136. Technically now Naturalgas is getting support at 289.2 and below same could see a test of 280.8 level, And resistance is now likely to be seen at 307, a move above could see prices testing 316.4.



MCX Copper



MCX Copper 28 FEB 2019	
Open	444.1
High	447.2
Low	441
Close	441.3
% Cng	-0.35
OI	11211
Volume	35633
Resist 3	452
Resist 2	449
Resist 1	445
Support 1	439
Support 2	437
Support 3	433

Copper on MCX settled down -0.35% at 441.30 traded in the range while sentiments remain after US-China trade tensions eased, but gains were capped due to persistent worries about Chinese demand and global growth. China made its first purchases of US soybeans since President Donald Trump and his Chinese counterpart Xi Jinping struck a trade war truce earlier this month, while China also appeared to be easing its high-tech industrial push. Some investors may also be unwinding a wider trade that's been in place for much of the year, going long on the dollar and short on commodities. Copper on the London Metal Exchange is down 14.5% year-to-date, largely on fears the trade tensions will hurt demand for industrial metals. Three-month LME copper was up 1.4% at \$6,223 a tonne after touching \$6,231, the highest since 4 December. In winding up the program, the ECB plans to reinvest cash from maturing bonds for an extended period beyond its next interest rate hike. The ECB also left benchmark interest rates unchanged. The dollar strengthened against most major currencies on Thursday on US President Donald Trump's upbeat comments on trade talks with China and Beijing's first major purchase of US soybeans in months. Now a day ahead China will release several pieces of economic data today including industrial production for November, fixed asset investment and retail sales. In the US, retail sales and industrial production in November, the Markit manufacturing purchasing managers' index (PMI) for December and weekly oil rig counts are also slated for release. Now Technically market is getting support at 439.2 and below same could see a test of 437 level, And resistance is now likely to be seen at 445.4, a move above could see prices testing 449.4.

MCX Nickel



MCX Nickel 31 DEC 2018	
Open	774.2
High	781.8
Low	770.6
Close	775
% Cng	0.31
OI	15526
Volume	29258
Resist 3	792.2
Resist 2	787.0
Resist 1	781.0
Support 1	769.8
Support 2	764.6
Support 3	758.6

Nickel on MCX settled up 0.31% at 775 after U.S.-China trade tensions eased, but gains were capped due to persistent worries about Chinese demand and global growth. China made its first purchases of U.S. soybeans since President Donald Trump and his Chinese counterpart Xi Jinping struck a trade war truce earlier this month, while China also appeared to be easing its high-tech industrial push. While Base metals were pressured by a firmer dollar after the European Central Bank trimmed its growth and inflation projections for next year and said the balance of risk was tilted towards the downside, weakening the euro against the dollar. Now Market focus is largely attuned to the fundamentals as investors await an upcoming two-day meeting of the FOMC, which is scheduled to take place on December 18-19. The recent improvement in spot trades limited losses in nickel prices. Also Greece is trying to avert the possible closure of Europe's biggest nickel producer Larco and is looking at ways to ensure there are no interruptions to its electricity supply, the country's energy ministry said on Wednesday. Last night LME base metals closed mixed on Thursday. LME nickel climbed some 0.6%, zinc gained 0.35% and copper nudged up 0.05% while aluminium slipped 0.3% and lead fell close to 1%. The euro fell against the dollar after the ECB said that it will end its bond purchasing program at the end of December. In winding up the program, the ECB plans to reinvest cash from maturing bonds for an extended period beyond its next interest rate hike. The ECB also left benchmark interest rates unchanged. Now Technically market is getting support at 769.8 and below same could see a test of 764.6 level, And resistance is now likely to be seen at 781, a move above could see prices testing 787.



MCX Zinc



MCX Zinc 31 DEC 2018	
Open	188.70
High	188.95
Low	185.90
Close	186.55
% Cng	-0.13
OI	2633
Volume	22490
Resist 3	191.3
Resist 2	190.1
Resist 1	188.3
Support 1	185.3
Support 2	184.1
Support 3	182.3

Zinc on MCX settled down -0.13% at 186.55 tracking weakness from LME zinc which slipped 0.2 percent to close at \$2,566 a tonne by a firmer dollar after the European Central Bank trimmed its growth and inflation projections for next year and said the balance of risk was tilted towards the downside, weakening the euro against the dollar. While earlier in the day prices got support after U.S.-China trade tensions eased, but gains were capped due to persistent worries about Chinese demand and global growth. China made its first purchases of U.S. soybeans since President Donald Trump and his Chinese counterpart Xi Jinping struck a trade war truce earlier this month, while China also appeared to be easing its high-tech industrial push. Also support can be seen as China appears to be easing its high-tech industrial development push, dubbed "Made in China 2025," amid talks between the two countries to reduce trade tensions, according to new guidance to local governments. Last night LME base metals closed mixed on Thursday. LME nickel climbed some 0.6%, zinc gained 0.35% and copper nudged up 0.05% while aluminium slipped 0.3% and lead fell close to 1%. The euro fell against the dollar after the ECB said that it will end its bond purchasing program at the end of December. The dollar strengthened against most major currencies on Thursday on US President Donald Trump's upbeat comments on trade talks with China and Beijing's first major purchase of US soybeans in months. Now Technically market is getting support at 185.3 and below same could see a test of 184.1 level, And resistance is now likely to be seen at 188.3, a move above could see prices testing 190.1.

MCX Aluminium



MCX Aluminium 31 DEC 2018	
Open	138.80
High	138.90
Low	137.00
Close	137.70
% Cng	-0.47
OI	3558
Volume	6029
Resist 3	140.7
Resist 2	139.8
Resist 1	138.8
Support 1	136.9
Support 2	136.0
Support 3	135.0

Aluminium on MCX settled down -0.47% at 137.70 on fresh selling tracking LME benchmark aluminium which shed 0.3% to settled at \$1,933.50 a tonne after LME on-warrant aluminium inventories, those stocks not earmarked for delivery, rose by 24,950 tonnes to 853,375 tonnes, LME data showed on Thursday. They have surged 40% since the beginning of October. But now fundamentals are turning up as investors covered their shorts and added longs, SHFE aluminium rallied from a low of 13,595 yuan/mt to an intraday high of 13,700 yuan/mt. A significant decline in primary aluminium social inventories grew confidence across longs, against a backdrop of production cuts across domestic smelters. Now last night LME base metals closed mixed on Thursday. The euro fell against the dollar after the ECB said that it will end its bond purchasing program at the end of December. In winding up the program, the ECB plans to reinvest cash from maturing bonds for an extended period beyond its next interest rate hike. The ECB also left benchmark interest rates unchanged. The dollar strengthened against most major currencies on Thursday on US President Donald Trump's upbeat comments on trade talks with China and Beijing's first major purchase of US soybeans in months. Now a day ahead China will release several pieces of economic data today including industrial production for November, fixed asset investment and retail sales. Now Technically market is under fresh selling as market has witnessed gain in open interest by 5.89% to settled at 3558 while prices down -0.65 rupees, now Aluminium is getting support at 136.9 and below same could see a test of 136 level, And resistance is now likely to be seen at 138.8, a move above could see prices testing 139.8.

Spread View	
Commodity	Spread
MCX GOLD FEB-APR	165.00
MCX SILVER MAR-MAY	550.00
MCX CRUDEOIL DEC-JAN	34.00
MCX NATURALGAS DEC-JAN	-6.20
MCX ZINC DEC-JAN	-0.90
MCX NICKEL DEC-JAN	-6.20
MCX LEAD DEC-JAN	1.10
MCX ALUMINIUM DEC-JAN	0.55

Ratio Trading	
Commodity	Ratio
Gold Silver ratio	82.20
Gold Crude ratio	8.48
Gold Copper ratio	71.44
Silver Crude ratio	10.32
Silver Copper ratio	86.92
Crude Natural Gas ratio	12.49
Zinc Lead ratio	133.63

LME Stock (Tons)		
Commodity	Change	Stock
Copper	75	119975
Nickel	-762	210348
Zinc	-1300	113800
Aluminium	23500	1094925
Lead	-125	106950

News you can Use

China reported far weaker than expected November exports and imports, showing slower global and domestic demand and raising the possibility authorities will take more measures to keep the country's growth rate from slipping too much. November exports only rose 5.4 percent from a year earlier, Chinese customs data showed on Saturday, the weakest performance since a 3 percent contraction in March. Import growth was 3 percent, the slowest since October 2016, and a fraction of the 14.5 percent seen in the poll. Imports of iron ore fell for a second time, reflecting waning restocking demand at steel-mills as profit margins narrow. In recent months, Chinese exports had expanded robustly, which economists said reflected front-loading of cargoes before a now-postponed plan to hike U.S. tariffs of \$200 billion of Chinese goods to 25 percent from 10 percent on Jan. 1. The November trade numbers came out less than a week after Presidents Donald Trump and Xi Jinping agreed to a 90-day truce delaying that tariff hike as they negotiate a trade deal. November's China numbers might add a sense of urgency stirring fears of a reignition of trade tension, the daughter of Huawei Technologies' founder, a top executive at the Chinese technology giant, was arrested in Canada on Dec. 1 and faces extradition to the United States, threatening to drive a wedge between the U.S. and China.

U.S. job growth slowed in November and monthly wages increased less than expected, suggesting some moderation in economic activity that could support expectations of fewer interest rate increases from the Federal Reserve in 2019. The Labor Department's closely watched monthly employment report came against a backdrop of a steep sell-off on Wall Street and a partial inversion of the U.S. yield curve, which have stoked fears of a recession. Nonfarm payrolls increased by 155,000 jobs last month, with construction companies hiring the fewest workers in eight months, likely because of unseasonably chilly temperatures. Some of the moderation in hiring in November could be the result of a shortage of qualified workers. But it also fits in with other data showing a rise in layoffs in recent weeks and a decline in a measure of services sector employment in November. Data for September and October were revised to show 12,000 fewer jobs added than previously reported. Average hourly earnings rose six cents, or 0.2 percent in November after gaining 0.1 percent in October. That left the annual increase in wages at 3.1 percent, matching October's jump, which was the biggest gain since April 2009.

OPEC tentatively agreed an oil output cut but was waiting for a commitment from non-OPEC heavyweight Russia before deciding the exact volumes for a production reduction aimed at propping up crude prices, two sources from the group said. Russian Energy Minister Alexander Novak flew home from Vienna earlier for talks with President Vladimir Putin in St Petersburg. Novak returns to Austria's capital for discussions among Saudi-led OPEC and the group's allies. The price of crude has fallen almost a third since October but U.S. President Donald Trump has demanded the Organization of the Petroleum Exporting Countries make oil even cheaper by refraining from output cuts. "We still want Russia to cut as much as possible," Saudi Energy Minister Khalid al-Falih told reporters as the OPEC meeting concluded without yielding concrete figures. "I'm not confident but I hope to reach a deal ... Hopefully, he (Novak) will come tonight," Falih said. Possible output cuts by OPEC and its allies range from 0.5-1.5 million bpd. A reduction of 1 million bpd would be acceptable and so far was the main scenario, Falih said. "It is unlikely to spark a meaningful price rally, but also will not be so dire either. In many respects it is the middle road, which may be the optimal solution," said Sharenow, who helps manage a \$15 billion commodities fund at the \$1.77 trillion U.S. investment management firm.

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