

July 29, 2021

## Daily Commodities Outlook

### Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	Aug	Sell	756-757	750	761	Intraday
Metldex	Aug	Sell	15840-15860	15680	15950	Intraday

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### Recent Developments

- MCX BULLDEX traded 0.2% higher around 14510 as gold prices traded flat while silver prices rose slightly. MCX METLDEX traded flat around 15840 as most metals remained sideways
- Gold prices were subdued around \$1,800 on Wednesday as investors treaded cautiously ahead of a US Federal Reserve policy decision
- Market participants were keen for any details on the Fed's approach to tapering its asset purchases, following rising inflation and a spike in Delta variant Covid-19 cases, from its policy statement
- Oil rose toward \$75 a barrel on Wednesday after data showed US crude inventories fell more sharply than forecast, bringing the market's focus back to tight supplies rather than rising Coronavirus infections
- Crude inventories fell by 4.1 million barrels in the week to July 23, the US Energy Information Administration said on Wednesday. Gasoline and distillate fuel stocks also dropped
- Copper prices sat near six-week highs on Wednesday as investors waited for details from a Federal Reserve meeting that could shift expectations for US monetary policy

### Global Price Performance

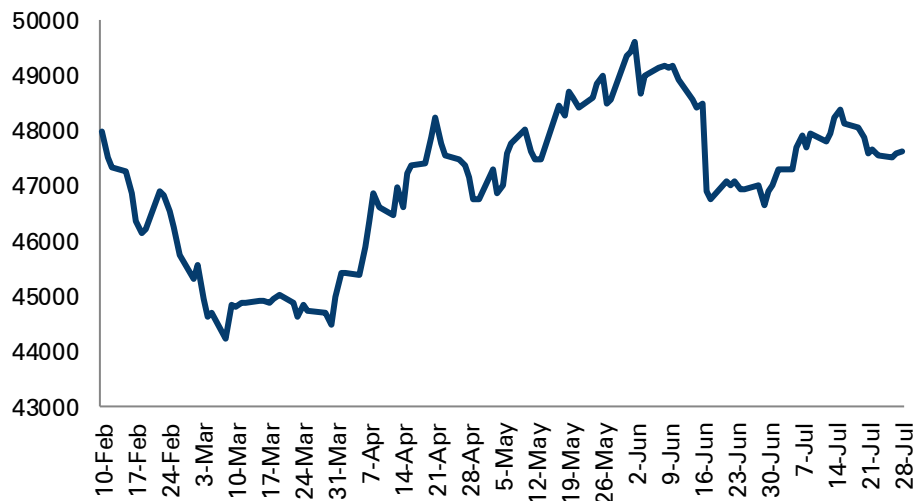
Exchange	Commodity	LTP (\$)	Change	% Change
COMEX	GOLD	1801.50	1.70	0.09%
COMEX	SILVER	24.94	0.29	1.16%
NYMEX	CRUDE OIL	72.45	0.80	1.12%
NYMEX	NATURAL GAS	3.99	0.05	1.27%
LME	COPPER	9697.50	-94.00	-0.96%
LME	NICKEL	19537.50	207.50	1.07%
LME	LEAD	2346.25	12.50	0.54%
LME	ZINC	2967.00	-2.75	-0.09%

### MCX Price Performance

Commodity	Expiry	LTP (₹)	Change	% Change
GOLD	Aug-21	47624	51.00	0.11%
SILVER	Sep-21	66628	572.00	0.87%
CRUDE OIL	Aug-21	5404	70.00	1.31%
NATURAL GAS	Aug-21	297.70	3.00	1.02%
COPPER	Aug-21	752.20	-6.35	-0.84%
NICKEL	Aug-21	1479.20	14.80	1.01%
LEAD	Aug-21	176.65	-0.05	-0.03%
ZINC	Aug-21	244.80	-0.15	-0.06%

Source: Bloomberg, Reuters, ICICI Direct Research

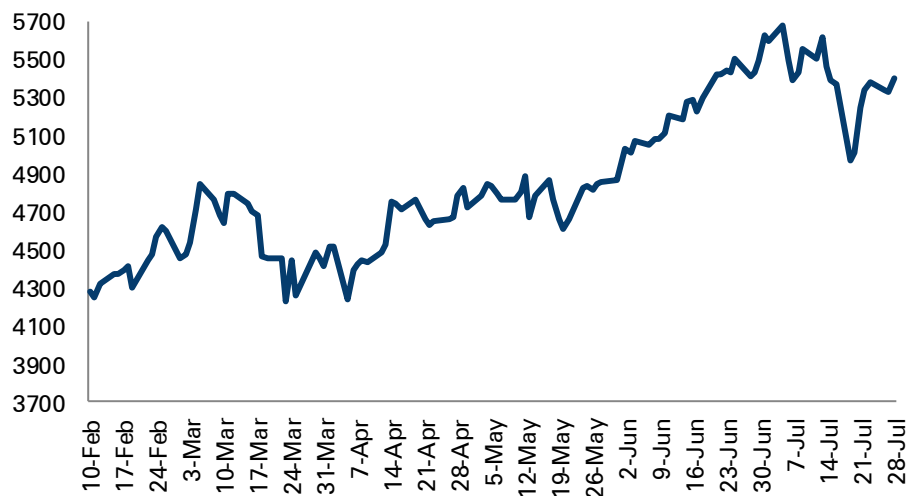
## MCX Gold Daily Chart



## Bullion Outlook

- Gold prices started Wednesday's trade on a flat note and consolidated during most of the session in the range of ₹ 47500-47700 levels
- Prices have been moving in a sideways trend in the last few sessions as investors held back from making large bets ahead of a US Federal Reserve policy decision
- Therefore, we expect gold prices to trade within the range of ₹ 47300-47800 levels in the short-term

## MCX Crude Oil Daily Chart



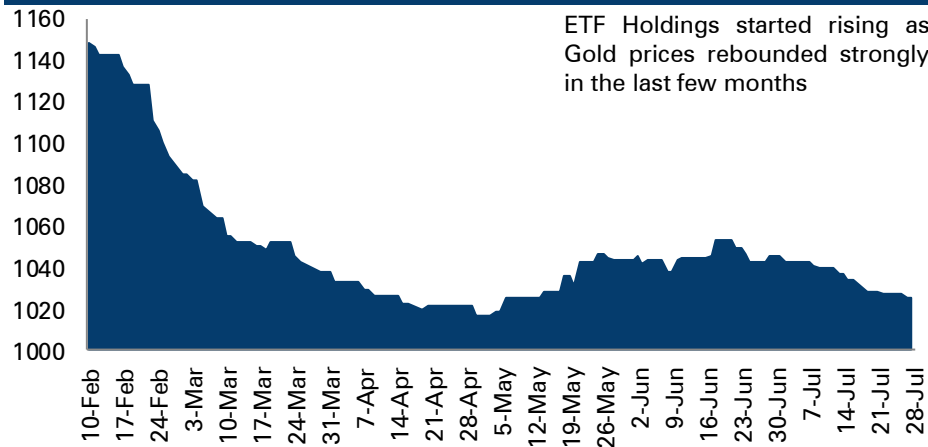
## Energy Outlook

- Crude oil prices opened strongly higher with a gap on Wednesday and rose further during most of the session till a high of ₹ 5415
- Prices rose strongly in the last session as US crude stockpiles fell to their lowest since January 2020 adding to signs of a tightening market
- Hence, we expect crude prices to remain positive towards ₹ 5500 level in the short-term

## Daily Pivot Levels

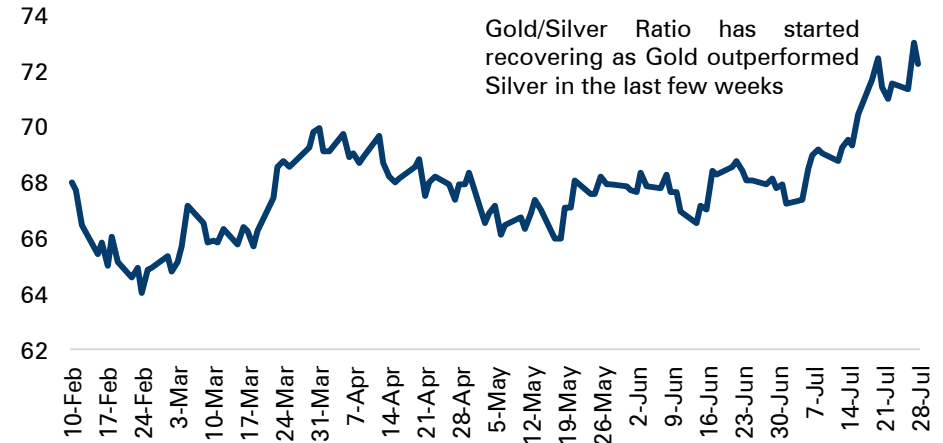
Commodity	Expiry	S2	S1	Pivot	R1	R2
GOLD	Aug-21	47375	47500	47594	47719	47813
SILVER	Sep-21	65835	66232	66456	66853	67077
CRUDE OIL	Aug-21	5321	5362	5386	5427	5451
NATURAL GAS	Aug-21	281.8	289.8	293.9	301.9	306.0
COPPER	Aug-21	741.4	746.8	755.6	761.0	769.8
NICKEL	Aug-21	1453.3	1466.3	1480.1	1493.1	1506.9
LEAD	Aug-21	175.0	175.8	176.6	177.4	178.1
ZINC	Aug-21	241.4	243.1	244.7	246.4	247.9

## SPDR Gold Holdings (Tonnes)



Standard & Poor's Depository Receipt (ETF) Holdings

## Gold/Silver Ratio



## US Crude Oil Inventories (Barrels)

Release Date	Time (IST)	Actual	Forecast
28-Jul-21	8:00 PM	-4.089M	-2.928M
21-Jul-21	8:00 PM	2.108M	-4.466M
14-Jul-21	8:00 PM	-7.897M	-4.359M
8-Jul-21	8:30 PM	-6.866M	-4.033M
30-Jun-21	8:00 PM	-6.718M	-4.686M
23-Jun-21	8:00 PM	-7.614M	-3.942M

The Energy Information Administration's (EIA) Crude Oil Inventories measures the weekly change in the number of barrels of commercial crude oil held by US firms.

Source: Bloomberg, Reuters, ICICI Direct Research

# Today's Major Economic Releases

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
6:00 PM	US	GDP (QoQ) (Q2)	8.5%	6.4%
6:00 PM	US	GDP Price Index (QoQ) (Q2)	5.4%	4.3%
6:00 PM	US	Initial Jobless Claims	380K	419K
7:30 PM	US	Pending Home Sales (MoM) (Jun)	0.3%	8.0%

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*Source: Bloomberg, Reuters, ICICI Direct Research*

## ANALYST CERTIFICATION

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