

Bullion

Gold

On Tuesday, Spot gold prices ended lower by 0.94 percent to close at \$1327.7 per ounce. Expectation of a rate cut pressurized the Dollar Index in turn supporting the yellow metal. However, prices marginally declined after investors booked profits followed by a good rally over the past weeks in the bullion metal.

U.S. & Mexico struck a deal last week, side stepping a possible trade war and averting chances of an economic slowdown which dented the appeal for the safe haven asset.

Moreover, markets also expect that US would ease tariffs on China and end then prolonged trade war which has hampered the markets since 2018 which might further hamper the demand for Gold.

On the MCX, gold declined by 0.09 percent to trade at Rs.32632.0 per 10 grams.

Silver

On Tuesday, Spot silver prices ended higher by 0.27 percent to close at \$14.7 per ounce.

On the MCX, silver prices increased by 0.32 percent to close at Rs.37175.0 per kg.

Outlook

Worries over global slowdown eased a bit after US and Mexico struck a deal and averted the chances of a possible trade war coupled with optimism over a trade deal between US & China might dent the appeal for the safe haven asset. However, chances of a possible rate cut by FED might provide some support.

On the MCX, gold prices are expected to trade higher today, international markets are trading higher by 0.18 percent at \$1333.65 per ounce.

Technical Outlook

valid for June 12, 2019

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1328/1323	1338/1343
MCX GOLD AUG'19 (Rs/10GMS)	32500/32380	32750/32870
SPOT SILVER (\$/OZ)	14.7/14.6	14.9/15.1
MCX SILVER JULY19 (Rs/KG)	36300/36050	36950/37200

Market Highlights (% change)

as on June 11, 2019

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	69.4	0.20	-0.1	1.7	-2.7
Euro/\$ (Spot)	1.1	0.15	0.7	0.9	-3.7
Dollar Index	96.7	-0.1	-0.4	-0.9	21.7
NIFTY	11965.6	0.36	-0.5	7.3	13.0
SENSEX	39950.5	0.42	-0.3	7.7	118.4
DJIA	26048.5	-0.05	2.8	2.0	2.9
S&P	2885.72	0.0	2.9	2.6	3.8

Gold (% change)

as on June 11, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1326.7	-0.08	0.1	2.1	2.2
Gold (Spot - Mumbai)	31300.0	-3.69	-6.1	-2.2	1.3
Comex (May'19)	1326.9	0.04	-0.1	2.4	2.2
MCX (Jun'19)	32632.0	-0.09	0.5	0.4	4.5

(Comex, Gold spot in \$ per ounce, MCX, Gold spot Mumbai in Rs/10 gms) Source: Reuters

Silver (% change)

as on June 11, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	14.7	0.27	-0.8	-0.4	-12.2
Silver (Spot - Mumbai)	37000.0	0.82	1.1	0.0	-8.0
Comex	14.6	-2.59	-0.9	-1.0	-13.6
MCX Silver	37175.0	0.32	-0.4	-2.6	-9.5

(Comex in \$ per ounce, MCX, Silver spot in Rs/kg)

Source: Reuters

Energy

Crude Oil

On Tuesday, WTI Crude prices ended flat to close at \$53.3 per barrel. Escalating trade tension between US & China rose global demand concerns for Crude which continues to weigh on the prices. However, the downtrend was restricted over chances of a possible continuation in the output cuts by OPEC+ provided certain support.

U.S. President Trump stated that he is ready to impose fresh round of tariffs on Chinese imports if both the countries do not reach a trade deal at a Group of 20 summit which in to be held later this month.

China is the world's largest oil consumer, building tension between US and China has hampered the global demand prospects for Crude. China imported crude around 40.23 million tonnes in May 2019 down from an all-time high of 43.73 million tonnes in April 2019.

Moreover, even the U.S. EAI cut its 2019 world oil demand growth forecast by 160,000 barrels per day to 1.22 million bpd.

Moreover, Russia and Saudi Arabia are yet to confirm the output cuts deal which further pressurized the prices.

Outlook

Rising crude inventory in US might weigh on the prices. However, chances of continuation in supply cuts by OPEC+ in the second half of 2019 might provide some support

On the MCX, oil prices are expected to trade lower today, international markets are trading higher by 0.49 percent at \$53.54 per barrel.

Technical Outlook

valid for June 12, 2019

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	51.7/50.9	53.1/53.8
MCX CRUDE JUNE'19 (RS/BBL)	3670/3620	3770/3820
BRENT CRUDE OIL(\$/BBL)	60.6/59.9	62.0/62.8

Market Highlights - Crude Oil (% change) as on June 11, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	65.0	-1.1	0.0	-11.3	-12.4
NYMEX CRUDE	53.3	0.0	-0.4	-12.7	-19.4
ICE BRENT CRUDE	62.3	0.0	0.5	-11.3	-18.5
MCX CRUDE	3720.0	-0.9	0.2	-13.7	-16.3

(Brent & NYMEX Crude in \$ per bbl, MCX Crude in Rs/bbl)

Source: Reuters

Market Highlights - Natural Gas (% change) as on June 11, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.4	1.7	-1.0	-8.7	-17.1
MCX NG	166.2	1.3	-1.7	-10.6	-15.1

(NYMEX NG in \$/MMBtu, MCX NG in Rs/MMBtu)

Source: Reuters

Base Metals

On Tuesday, base metal prices rose after chances of a possible trade war between US and Mexico eased after the two countries agreed to strike a deal. Nickel was the highest gainer as it rose over 2 percent on LME as well as MCX in yesterday's trading session. Weakening of the Dollar Index over expectation of a possible rate cut by the U.S. Federal Reserve pushed the base metals prices even higher.

Expectations of stimulus measures by China further supported the industrial metal prices. Top metal consumer China might pump money into building metals-intensive infrastructure.

Markets expect that after easing tension with Mexico, US might end its prolonged trade spat with China which further supported the industrial metal prices. Presidents of the both the countries might meet at the summit of world leaders in Osaka on June 28 and 29, 2019.

Copper

On Tuesday, LME Copper ended flat to close at \$5876.0 per tonne. Expectation of stimulus measures by China might support the red metal prices.

Moreover, optimism over a possible trade deal between US & China might further push prices higher.

Outlook

We expect Copper prices to get some support as the trade tension between US & Mexico eased off negating the global slowdown concerns. However, trade tension between U.S. & China might cap gains.

On the MCX, Copper prices are expected to trade sideways today; international markets are trading lower by 0.16 percent at \$5883.25 per tonne.

Technical Outlook

valid for June 12, 2019

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER JUNE'19	407/403	413/416
MCX ZINC JUNE'19	203.5/202	208/209.5
MCX LEAD JUNE'19	154.5/153	157.5/159
MCX ALUMINIUM JUNE'19	141.5/140	144/145.5
MCX NICKEL JUNE'19	860/850	880/890
MCX BRASS JUNE'19	325/322	329/331

Market Highlights – Base Metals (% change) as on June 11, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5876.0	0.0	-0.1	-2.2	-19.6
MCX Copper	410.2	0.0	-0.1	-3.9	-16.5
LME Aluminium (3 month)	1778.0	0.1	-0.4	-1.8	-23.0
MCX Aluminium	142.9	-0.2	-0.8	-3.8	-8.9
LME Nickel (3 month)	11900.0	2.4	0.8	1.1	-23.0
MCX Nickel	870.2	2.3	1.1	4.4	-16.6
LME Lead (3 month)	1910.5	1.6	3.5	6.7	-22.6
MCX Lead	156.1	0.7	3.8	23.8	-6.4
LME Zinc (3 month)	2519.0	1.8	1.9	-2.3	-21.3
MCX Zinc	207.0	1.5	2.0	-2.7	-4.8
MCX Brass	325.5	-0.8	0.2	-4.4	-11.1

Source: Reuters

LME Inventories in tonnes

COMMODITY	11/06/19	10/06/19	CHG	%CHG
COPPER	211225	211350	-125	-0.06%
ALUMINIUM	1096300	1105750	-9450	-0.85%
NICKEL	163878	163896	-18	-0.01%
ZINC	101300	101300	0	0.00%
LEAD	67475	67300	175	0.26%

Source: Reuters

Economic indicators to be released on 12-Jun-19

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
ECB President Draghi Speaks	EUR	2:45PM	-	-	-	High
CPI m/m	US	7:00PM	-	0.1%	0.3%	High
Core CPI m/m	US	7:00PM	-	0.2%	0.1%	High

Research Team

Prathamesh Mallya Chief Analyst (Non-Agro Commodities & Currency)

prathamesh.mallya@angelbroking.com

Direct - (022) 3095 0334

Board line- 4000 3600 Extn :6134

Yash Sawant Research Associate

yash.sawant@angelbroking.com

(022) 3095 0336

Board line:4000 3600 Extn: 6136

Angel Broking Ltd.

Registered Office: G-1, Akruti Trade Centre, Rd. No. 7, MIDC, Andheri (E), Mumbai - 400 093.

Corporate Office: 6th Floor, Akruti Star, MIDC, Andheri (E), Mumbai - 400 093. Tel: (022) 2921 2000

MCX Member ID: 12685 / FMC Regn No: MCX / TCM / CORP / 0037 NCDEX: Member ID 00220 / FMC Regn No: NCDEX / TCM / CORP / 0302

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. The document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from "Angel Broking Ltd". Your feedback is appreciated on advisory@angelbroking.com