

Bullion

Gold

On Wednesday, spot gold prices ended lower by 0.11 percent to close at \$1274.7 per ounce. Escalating trade tension between US and China pushed the investors to take shelter under the safe haven asset; however, the gains were capped by the recovery in the Dollar Index.

The minutes from U.S. Federal reserve's meeting in early May signalled that the FOMC will continue with their patient approach towards setting monetary policy for some more time.

Silver

On Wednesday, Spot silver prices ended flat at \$14.4 per ounce.

On the MCX, Silver prices ended marginally higher by 0.16 percent to close at Rs.36810.0/kg.

Outlook

Continuation of a Neutral stance by the FED might strengthen the Dollar Index and in turn pressurize Gold. However, escalating trade tension between US and China might restrict provide certain support.

On the MCX, gold prices are expected to trade higher today, international markets are trading lower by 0.08 percent at \$1273.05 per ounce.

Technical Outlook

valid for May 23, 2019

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1269/1264	1278/1282
MCX GOLD JUNE'19 (Rs/10GMS)	31330/31200	31550/31650
SPOT SILVER (\$/OZ)	14.30/14.10	14.50/14.70
MCX SILVER JULY19 (Rs/KG)	36050/35700	36650/36900

Market Highlights (% change)

as on May 22, 2019

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	69.6	-0.01	0.9	0.2	-2.2
Euro/\$ (Spot)	1.1	-0.05	0.0	-0.7	-5.4
Dollar Index	98.0	0.0	0.0	-0.1	23.4
NIFTY	11737.9	0.25	2.9	1.4	9.9
SENSEX	39110.2	0.36	3.1	1.4	113.8
DJIA	25776.6	-0.39	0.5	-2.6	3.8
S&P	2856.27	-0.3	-0.1	-2.6	4.5

Gold (% change)

as on May 22, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1273.4	-0.11	-0.3	0.1	-1.5
Gold (Spot - Mumbai)	31500.0	0.08	-1.4	0.1	1.9
Comex (May'19)	1273.6	0.13	-1.8	-0.2	-1.3
MCX (Jun'19)	31422.0	0.02	-1.2	-0.4	1.0

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

Silver (% change)

as on May 22, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	14.4	0.00	0.4	-2.5	-12.3
Silver (Spot - Mumbai)	36200.0	0.00	-0.8	-3.1	-9.0
Comex	14.4	-0.25	-2.6	-3.3	-12.9
MCX Silver	36810.0	0.16	-0.8	-2.0	-10.1

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

Source: Reuters

Energy

Crude Oil

On Wednesday, WTI Crude prices ended significantly lower by 2.5 percent to close at \$61.4 per barrel over rising U.S. Crude inventory. The sharp uptrend in the Crude inventories over shadowed the supply crunch arising from the Middle East.

Crude inventories surged by 4.7 million barrels last week negating the markets expectation of a decline in the inventory levels. US Crude stocks rose to their highest levels since July 2017 due to falling refinery output, mainly in Middle East because of their ongoing issues with United States.

Outlook

Surging U.S. Crude stocks coupled with weak demand from the oil refineries might weigh on the Crude prices.

On the MCX, oil prices are expected to trade lower today; international markets are trading lower by 0.55 percent at \$61.10 per barrel.

Technical Outlook

valid for May 23, 2019

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	60.3/59.4	61.7/62.6
MCX CRUDE MAY'19 (RS/BBL)	4220/4160	4320/4380
BRENT CRUDE OIL(\$/BBL)	69.8/68.9	71.2/72.1

Market Highlights - Crude Oil (% change) as on May 22, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	72.9	-1.4	-2.7	-0.2	-8.1
NYMEX CRUDE	61.4	-2.5	-2.1	-7.4	-14.8
ICE BRENT CRUDE	71.0	-1.6	-1.7	-4.7	-10.4
MCX CRUDE	4276.0	-3.1	-3.2	-7.9	-13.1

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

Source: Reuters

Market Highlights - Natural Gas (% change) as on May 22, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.5	-2.8	-2.9	4.0	-9.9
MCX NG	178.3	-2.2	-4.2	3.6	-7.3

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

Source: Reuters

Base Metals

On Wednesday, base metals on the LME declined over further escalation in the trade tension between U.S. and China dampening the prospects of global economic growth and weaker demand for industrial metals. U.S. Treasury Secretary Steven Mnuchin stated that the United States might consider imposing further tariff hikes and might come in to effect within months' time.

As per reports from the International Nickel Study Group (INSG), the global nickel market witnessed a deficit of 12,500 tonnes in March 2019.

Aluminium prices also decline over rising production from Brazil. Alunorte, the Brazilian Alumina refinery owned by Norsk Hydro which was functioning on half capacity since February 2018 has been now permitted by a Brazilian federal court to resume full output. Alunorte has an annual production capacity of 6.3 million tonnes of Alumina.

Copper

On Wednesday, LME Copper prices ended lower by 1.1 percent to close at \$5928.0 per tonne over escalating trade tension between the biggest economies in the world.

Worries of weaker demand from the biggest metal consumer China over shadowed a possible supply crunch arising from Peru and weighed on the red metal prices.

Outlook

LME Copper price are currently trading lower by 0.31 percent at \$5914.25 per tonne. Escalating tension between U.S. and China continue to pressurize the base metal prices.

On the MCX, copper prices are expected to trade lower today.

Technical Outlook

valid for May 23, 2019

COMMODITY (RS/KG)	SUPPORT	RESISTANCOE
MCX COPPER JUN'19	411/408	417/422
MCX ZINC MAY'19	210/208.5	213/214.5
MCX LEAD MAY'19	124/122.5	127/128.5
MCX ALUMINUM MAY'19	143/141.5	146/147.5
MCX NICKEL MAY'19	825/815	845/855
MCX BRASS MAY'19	329/326	334/337

Market Highlights – Base Metals (% change) as on May 22, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5928.0	-1.1	-2.1	-7.5	-13.8
MCX Copper	414.2	-1.4	-3.3	-7.2	-11.5
LME Aluminium (3 month)	1781.0	-0.7	-2.8	-5.1	-21.8
MCX Aluminium	144.3	-0.7	-3.4	-4.6	-7.4
LME Nickel (3 month)	11970.0	-1.0	-0.3	-3.5	-18.7
MCX Nickel	835.2	-0.9	-1.2	-3.2	-16.5
LME Lead (3 month)	1806.0	-0.2	-0.8	-6.2	-25.2
MCX Lead	125.4	-0.2	-2.0	-6.0	-23.7
LME Zinc (3 month)	2546.0	-1.5	-1.9	-7.4	-17.8
MCX Zinc	211.6	-1.0	-1.8	-5.3	0.1
MCX Brass	331.0	-1.1	-0.2	-3.1	-9.3

Source: Reuters

LME Inventories in tonnes

COMMODITY	22/05/19	21/05/19	CHG	%CHG
COPPER	187700	189250	-1550	-0.82%
ALUMINIUM	1222625	1225400	-2775	-0.23%
NICKEL	165132	164532	600	0.36%
ZINC	103725	103900	-175	-0.17%
LEAD	73025	73275	-250	-0.34%

Source: Reuters

Economic indicators to be released on 23-May-19

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
French Flash Services PMI	EUR	1:45PM	-	50.7	50.5	High
French Flash Manufacturing PMI	EUR	1:45PM	-	50.1	50.0	Medium
German Flash Manufacturing PMI	EUR	2:00PM	-	44.9	44.4	High
German Flash Services PMI	EUR	2:00PM	-	55.2	55.7	High
Flash Manufacturing PMI	EUR	2:30PM	-	48.2	47.9	Medium
Flash Services PMI	EUR	2:30PM	-	53.0	52.8	Medium
ECB Monetary Policy Meeting Accounts	EUR	6:00PM	-	-	-	Medium

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