

## FROM RESEARCH DESK

### ■ Daily Change & Technical levels

#### Base Metal Inventory

Scrip	Inventory	Change
Copper	295125	-6650
Alumini	2217025	-5425
Lead	193700	-175
Zinc	427600	-75
Nickel	370920	0

#### Gold Lease Rates

Term	Rate	Change
1 m	0.0884%	+0.0250
2 m	0.1100%	+0.0175
3 m	0.1381%	+0.0150
6 m	0.2097%	+0.0025
1 y	0.4007%	+0.0050

Scrip	Close	% Change	R1	R2	PIVOT	S2	S1
GOLD	27887	-0.22	27958	28029	27879	27729	27808
SILVER	40342	0.26	40561	40780	40280	39780	40061
CRUDE	3682	0.41	3708	3734	3674	3614	3648
NG	224.3	2.61	227.9	231.4	221.4	□□□□□	217.9
COPPER	383.6	0.81	385.4	387.2	382.2	377.2	380.4
NICKEL	700.5	0.63	707.0	713.5	698.5	683.5	692.0
LEAD	140.6	1.44	142.2	143.9	139.9	135.9	138.2
ZINC	178.1	0.59	179.7	181.4	177.4	173.4	175.7
ALUMINIUM	116.7	0.48	117.4	118.2	116.2	114.2	115.4

### ■ Comex Division

Bullions (Spot)	Last close	% change
Gold	\$1172.10	-0.69
Silver	\$16.48	-0.54

\* According to 6 DEC, 2016.

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## BULLION

### Gold prices gain in Asia with Trump, Yellen on tap this week

#### Review

Gold prices edged higher in Asia on Monday as investors awaited a lineup of Fed speakers this week and the incoming president to set the tone and markets in Japan shout for a holiday. In the week ahead, investors will be looking ahead to U.S. economic reports, particularly Friday's retail sales figures for December. Investors will also be watching an appearance by Fed Chair Janet Yellen on Thursday and speeches by a handful of other Fed officials during the week, as well as President-elect Donald Trump on Wednesday for a press conference. Last week, gold prices fell on Friday, retreating from the previous sessions one-month highs as the dollar strengthened against a currency basket after U.S. jobs data showed a slowdown in hiring in December but a pickup in wage growth. The Labor Department said Friday the U.S. economy added 156,000 jobs in December, falling short of economists forecast for jobs growth of 178,000. The report also showed that the annual rate of wage growth rose to 2.9% in December from a year earlier, the strongest since 2009. The employment data indicated that the economy is improving enough for the Federal Reserve to keep pushing up interest rates. The Fed has indicated that three quarter-percentage-point interest rate increases are on the cards for 2017. Higher rates boost the dollar by making the currency more attractive to yield-seeking investors. Gold and silver settled on MCX division at 27887 and 40342 respectively.

#### TECHNICAL OUTLOOK



Source: Teleguote

Today, Gold has support at 27700 and resistance at 28000 while Silver has support at 39600 and resistance at 40500---40850. Traders can trade in a range with strict stop loss and wait for confirmation

## ENERGY

### Brent, NYMEX mixed in Asia as adherence to supply curbs seen on track

#### Review

Crude prices were mixed in Asia on Monday with investors lauding compliance with a coordinated effort by OPEC and non-OPEC countries to trim 1.8 million barrels per day (bpd) from global crude markets, but noting a supply response from U.S. shale drillers and countries outside the pact. In the week ahead, investors will be looking ahead to U.S. economic reports, particularly Friday's retail sales figures for December. Investors will also be watching an appearance by Fed Chair Janet Yellen on Thursday and speeches by a handful of other Fed officials during the week, as well as President-elect Donald Trump on Wednesday for a press conference. Last week, oil futures finished slightly higher on Friday, logging their fourth weekly gain in a row with traders encouraged by signs that major crude producers will adhere to the pledge to curb output. The start of the year marked the official start of the deal agreed by OPEC and non-OPEC member countries such as Russia in November last year to reduce output by almost 1.8 million barrels per day. The deal, if carried out as planned, should reduce global supply by about 2%. However, some traders remain skeptical that the planned cuts will be as substantial as the market currently expects. There are also some worries in the market about production increases in Libya, Iran and Nigeria, which are allowed to ramp up production as exempt from the cuts under the OPEC deal. Meanwhile, indications of increased drilling activity in the U.S. remained in focus. According to oilfield services provider Baker Hughes, the number of rigs drilling for oil in the U.S. last week increased by 4 to 529, the tenth straight weekly rise and a level not seen in almost a year. Some analysts have warned that the recent rally in prices could be self-defeating, as it encourages U.S. shale producers to drill more, adding to concerns over a global supply glut. Crude oil settled on MCX division at 3682

#### TECHNICAL OUTLOOK

CRUDEOIL 1st(MXCROC1)2017/01/06 - Daily B:3679.00 A:3680.00  
O 3653.00 H 3700.00 L 3635.00 C 3682.00 ↑ V 123,117 T 45,203,944 I 8,855 +46 +1.27%  
PAR(14) 3766.59 ST(10,3) 3447.45 EMA(21) 3582.3 (55) 3430.7



Source: Teleguote

Crude oil has support at 3640---3600 and resistance at 3720. Traders can trade in a range with strict stop loss and wait for confirmation

## BASE METAL

### Copper fluctuates on demand hope, strong dollar

#### Review

Copper fluctuated in afternoon trades Friday on hope of improvement in demand from the United States and China and as the dollar strengthened against other currencies. Prices of the industrial metals were up on hope of higher demand from the US, the world's second biggest metal consumer, following upbeat economic data. Private sector employment increased by less than expected in the month of December, reported the payroll processor ADP on Thursday. ADP said private sector employment rose by 153,000 jobs in December after jumping by a revised 215,000 jobs in November. Economists had expected an increase of about 172,000 jobs compared to the addition of 216,000 jobs originally reported for the previous month. Initial jobless claims for US dropped by much more than expected in the week ended December 31, reported the Labor Department on Thursday. The report said first time unemployment benefits dropped to 235,000, a decrease of 28,000 from the previous week's revised level of 263,000. Economists had expected jobless claims to edge down to 260,000 from the 265,000 originally reported for the previous week. Service sector activity in the US saw continued growth in the month of December, said the Institute for Supply Management on Thursday. The ISM reported that its non-manufacturing index came in at 57.2 in December, unchanged from the November figure. However, economists had expected the non-manufacturing index to show a modest decrease, with the consensus estimate calling for a reading of 56.8. Prices were also supported by lower stockpiles of metals at London Metal Exchange (LME) warehouse, which indicates tight supply situation. Copper inventories fell by 4,100 tons to 301,775 tons, lead stockpiles fell by 25 tons to 193,875 tons, zinc inventories fell by 175 tons to 427,675 tons and nickel stockpiles dropped by 804 tons to 370,920 tons, LME data showed Thursday. Further, workers at BHP Billiton-owned Escondida, the worlds biggest copper mine, might go on strike in February if collective contract talks with the company are unsuccessful, Reuters reported citing spokesman Carlos Allende. Copper settled in MCX division at 383.55

#### TECHNICAL OUTLOOK

COPPER 1st(MXCOPC1)2017/01/06 - Daily B:383.45 A:383.50  
O 378.60 H 384.00 L 378.40 C 383.55 V 31,429 T 11,960,084 I 15,799 +3.1 +0.81%  
EMA(21) 380.38 (55) 370.72 ST(10,3) 391.735



**Soybean trades lower on oversupply woes, weak demand**

**Review**

Soybean traded flat in afternoon trades Friday on expectation of higher supply in global market and on weak demand. Prices of the bean were down on oversupply woes as rainfall resume in major growing region of Brazil. According to United States Department of Agriculture (USDA) Foreign Agriculture Service (FAS) soybean output in Brazil, the world's third biggest bean producer is estimated to be around 102 million tons. Meanwhile, the exports are likely to be around 58 million MT for 2016-17 seasons. Prices of the yellow bean were also down as lower demand from crusher as per their requirement and they are carrying around 25-30 days of stock of soybean and soymeal so crushers are unlikely to buy soybean aggressively at higher level. Further the demand for soymeal is not improving as per market expectation and also crushing is in disparity which is discouraging crushers to buy soybean at higher level. Soyabean December contract settled on NCDEX division at 3028

**TECHNICAL OUTLOOK**

Soy Bean Indore 1st(NCSOYC1)2017/01/06 - Daily B:3025.00 A:3027.00  
 O 3027.00 H 3032.00 L 3003.00 C 3028.00 V 26,060 I 83,560 +7 +0.23%  
 EMA(22) 3031.3 (55) 3071.0 ST(10,3) 3089.94



Source: Teleguote

Support at 2980 and resistance at 3050---3080. Traders can trade in a range with strict stop loss and wait for confirmation

News Source: Investing.com and News Wire



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