

## FROM RESEARCH DESK

### ■ Daily Change & Technical levels

#### Base Metal Inventory

Scrip	Inventory	Change
Copper	272625	-3225
Alumni	1438025	-6525
Lead	176375	-200
Zinc	317975	-2475
Nickel	376452	630

#### 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	29030	0.30	29120	29210	29010	28810	28920
SILVER	39418	1.67	39878	40339	39339	38339	38878
CRUDE	2873	-3.75	2952	3031	2901	2771	2822
NG	188.8	-1.67	191.2	193.6	189.6	185.6	187.2
COPPER	363.9	-1.56	368.3	372.6	365.6	358.6	361.3
NICKEL	569.4	0.07	572.6	575.8	568.8	561.8	565.6
LEAD	132.7	0.49	133.4	134.2	132.2	130.2	131.4
ZINC	159.0	0.16	159.8	160.7	159.2	157.7	158.3
ALUMINIUM	120.2	-0.99	121.4	122.7	120.7	118.7	119.4

### ■ Comex Division

Bullions (Spot)	Last close	% change
Gold	\$1260.60	-0.45
Silver	\$17.8590	0.27

\* According to 14 JUN, 2017.

**Ankit Kapoor**

Sr. Research Analyst

Mobile: +91-7389934302

Tel: +91-0731-4262702

[ankit.kapoor@indianivesh.in](mailto:ankit.kapoor@indianivesh.in)

## BULLION

### Gold dips in Asia after Fed hike, but steady dollar offers support

#### Review

Gold dipped in Asia as a widely expected interest rate hike by the Federal Reserve provided room for caution, but the dollar failed to respond sharply giving room for support. Overnight, Gold prices came under pressure on Wednesday, after the Federal Reserve raised interest rates for the second time this year and maintained its outlook of three total rate hikes for this year. The Federal Reserve increased its key interest rate by 0.25% to a 1.00%-1.25% range on Wednesday, and surprise investors as it maintained its outlook of three total rate hikes for 2017, despite the recent dip in job creation and inflation. The central bank said it expects that a tightening labor market will lift inflation to the 2% target over the medium term. Fed chair Janet Yellen echoed these remarks in a press conference following the rate decision. "Employment is near its maximum level and the committee expects inflation to move and stabilize around 2% over the next couple of years" Yellen said. The bullish comments on inflation and additional rate hikes lifted the Dollar into positive territory against a basket of global currencies, pushing the precious metal to session lows. Gold is sensitive to moves higher in both U.S. rates and the dollar – stronger dollar makes gold more expensive for holders of foreign currency while a rise in U.S. rates; lift the opportunity cost of holding non-yielding assets such as bullion. Earlier during the session gold traded as high as \$1,282.54, after a pair of economic reports undershot expectations triggering concerns about a slowdown in the U.S. economy. U.S. consumer prices, a measure of inflation, fell 0.1% in May, as a fall in energy prices, airline fares and apparel weighed on the pace of inflation, the labor department said. The measure of inflation missed forecasts of a 0.2% rise. Meanwhile, core retail sales sustained their biggest drop in 16 months to 0.3%, according to the commerce department. Gold and Silver settled at 29030 and 39418 respectively.

#### TECHNICAL OUTLOOK



Today, Gold has support at 28800 and resistance at 29050---29200 while silver has support at 39000 and resistance at 39600---40000 Traders can trade in a range with strict stop loss and wait for confirmation

## ENERGY

### Oil prices struggle on doubts OPEC can rein in oversupply

#### Review

Oil prices wallowed near their lowest levels in seven months early on Thursday, hurt by high global inventories and doubts over OPEC's ability to implement production cuts. U.S. West Texas Intermediate (WTI) crude futures were at \$44.70 per barrel, also little changed from their last close. Both benchmarks are hovering near levels last reached in late November last year when production cuts led by the Petroleum Exporting Countries (OPEC) were first announced in an effort to prop up prices. "For OPEC, an oversupply headache became a migraine," said Jeffrey Halley, senior market analyst at futures brokerage OANDA in Singapore. Brent and WTI are down some 12 percent since their opens on May 25, when the agreement to cut was extended to the end of the first quarter next year, instead of expiring this month as initially planned. "OPEC 2017 year-to-date exports are only down by 0.3 million barrels per day (bpd) from the October 2016 baseline," analysts at AB Bernstein said in a note to clients. OPEC's pledge was to cut some 1.2 million bpd, while other producers including Russia would bring the total reduction to almost 1.8 million bpd. However, some OPEC members including Nigeria and Libya have been exempt from cutting, and their rising output undermines efforts led by Saudi Arabia. Meanwhile, production in the United States - which is not participating in the deal - has jumped by more than 10 percent over the past year to 9.33 million bpd. "Production growth in Libya and Nigeria and continued rig additions in U.S. are complicating the picture, raising doubts on OPEC's strategy. For OECD inventories to return to the normalized levels, OPEC needs to drain by 34 million barrels a month or 1 million barrels for the next 10 months. This looks challenging," AB Bernstein said. The International Energy Agency (IEA) said this week that oil supplies next year would still outpace demand despite consumption hitting 100 million bpd for the first time. Crude oil settled at 2873

#### TECHNICAL OUTLOOK



Source: Telequote

Crude oil has support at 2850 and resistance at 2920---2970. Traders can trade in a range with strict stop loss and wait for confirmation

## BASE METAL

### Copper continue to fall on global concern and positive dollar index

#### Review

Copper prices on the Multi-Commodity Exchange (MCX) falls on global concern and positive dollar index. "Copper traded flat on hope of easing demand concerns from China and higher supply from Peru. Prices of industrial metals were up as data released by the National Bureau of Statistics of China showed retail sales in the month of May grew by 10.7% compared to analysts expectation of 10.6% and unchanged from the same period a year ago. Chinese industrial production in May also expand by 6.5% compared to analysts expectation of 6.3% contraction while unchanged from same period a year ago. However, sharp rally in the prices was capped by higher supply from Peru following robust production data. Red metal output in Peru, the world's second biggest copper producer, jumped by 7.5% to 190,903 tons for the year through April. Peru's zinc production also grew 27% to 122,988 tons for the year through April compared to previous month on higher Antamina production. Copper settled at 363.90

#### TECHNICAL OUTLOOK



Source: Telequote

Copper has support at 363 and resistance at 367---372. Traders can sell Copper on rise with stop loss above 372 on closing basis. Close below 363 will take to 359---356 mark

## AGRI COMMODITY

### Soybean skyrocketed on demand concern, bottom fishing intact

#### Review

Soybean mandis in Madhya Pradesh at near standstill on raging disputes between traders and farmers over prices following Madhya Pradesh Chief Minister Shivraj Chauhan's assurance of remunerative prices for agriculture products and also traders were worried over keeping excess stock ahead of Good & Service Tax rollout. "The state government has asked us to pay Rs 2,775 per quintal or above to farmers while plants are buying at non remunerative prices from us on lack of demand," Soybean mandi rate in Madhya Pradesh on Tuesday stood at Rs 2,650-2,800 per quintals while the plant delivery rate stood at Rs 2,800-2,900 per quintal. "Looking at current mandi and plant delivery prices we are unable to earn anything, in fact we are losing on transportation cost. So we have decided to halt trading," said Mahesh Shah a Madhya Pradesh based soybean trader. Additionally, traders have also halted purchasing activity in a bid to offload stocks ahead of rollout of GST, said traders. "Though the government has indicated some compensation on earlier stocks further clarity is awaited due to which we want to first get rid of old stocks and are avoiding buying fresh stocks from farmers. Weak buying activities have kept soybean prices in futures trade under pressure. Soybean (July) settled around 2832

#### TECHNICAL OUTLOOK

Soy Bean Indore 1707(INCSOYN7)2017/06/14 - Daily B:2830.00 A:2832.00  
O:2785.00 H:2835.00 L:2785.00 C:2832.00 V:41,670 I:95,480 +42 +1.61%



Source: Teleguote

Support at 2780 and resistance at 2880 Traders can buy Soya bean around 2820 with stop loss below 2780 for the upside target of 2880



**IndiaNivesh Commodities Private Limited**

601 & 602, Sukh Sagar, N. S. Patkar Marg, Girgaum Chowpatty, Mumbai 400 007.

Tel: (022) 66188800 / Fax: (022) 66188899

e-mail: [ankit.kapoor@indianivesh.in](mailto:ankit.kapoor@indianivesh.in) | Website: [www.indianivesh.in](http://www.indianivesh.in)

**Disclaimer:** This document has been prepared by IndiaNivesh Commodities Private Limited (IndiaNivesh), for use by the recipient as information only and is not for circulation or public distribution. This document is not to be reproduced, copied, redistributed or published or made available to others, in whole or in part without prior permission from us. This document is not to be construed as an offer to sell or the solicitation of an offer to buy any commodity. Recipients of this document should be aware that past performance is not necessarily a guide for future performance and price and value of investments can go up or down. The suitability or otherwise of any investments will depend upon the recipients particular circumstances. The information contained in this document has been obtained from sources that are considered as reliable though its accuracy or completeness has not been verified by IndiaNivesh independently and cannot be guaranteed. Neither IndiaNivesh nor any of its affiliates, its directors or its employees accepts any responsibility or whatever nature for the information, statements and opinion given, made available or expressed herein or for any omission or for any liability arising from the use of this document. Opinions expressed are our current opinions as of the date appearing on this material only. IndiaNivesh directors and its clients may have holdings in the commodity and currencies mentioned in the report.