

April 1, 2021

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude oil	Apr	Sell	4430-4440	4330	4505	Intraday
Buldex	Apr	Buy	13900-13930	14130	13770	Intraday

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Recent Developments

- MCX BULLDEX traded 1.2% higher at 14000 as gold and silver prices rebounded strongly. MCX METLDEX also traded 0.5% higher at 13850 as most metals rose marginally
- Gold gained over 1% on Wednesday, helped by the dollar's pullback but elevated US bond yields still put the metal on course for its biggest quarterly decline in more than four years
- Oil prices fell on Wednesday on concerns about the market's recovery after Opec and its allies lowered their 2021 demand growth forecast, although strong Chinese factory activities lent some support
- Opec+ has lowered its oil demand growth forecast for this year by 300,000 barrels per day (bpd), a report from its experts panel meeting seen by Reuters showed
- China's manufacturing activity expanded at the quickest pace in three months in March as factories cranked up production after a brief lull during the Lunar New Year holidays
- Copper prices on Wednesday were set for their first monthly decline in a year, as a firm US dollar and a new wave of Coronavirus infections in Europe prompted traders to exercise caution

Global Price Performance

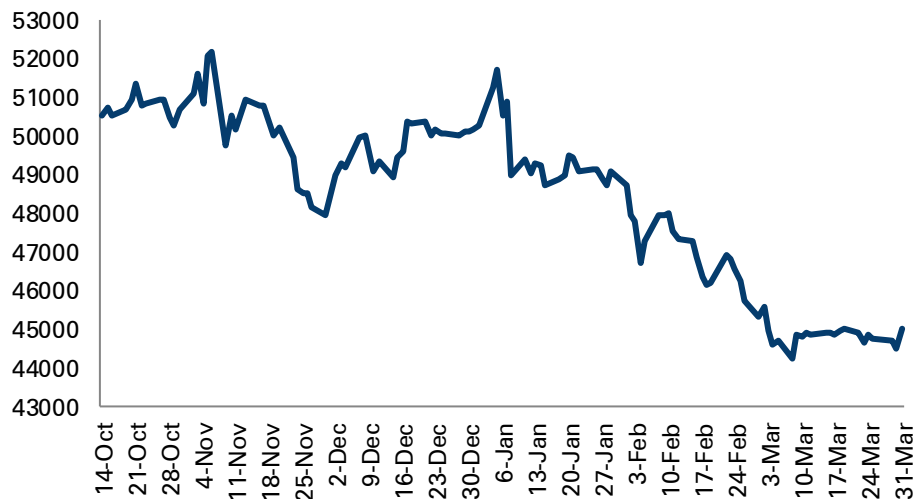
Exchange	Commodity	LTP (\$)	Change	% Change
COMEX	GOLD	1715.25	29.25	1.73%
COMEX	SILVER	24.53	0.39	1.62%
NYMEX	CRUDE OIL	60.16	-0.39	-0.64%
NYMEX	NATURAL GAS	2.61	-0.01	-0.50%
LME	COPPER	8811.75	62.00	0.71%
LME	NICKEL	16122.50	225.00	1.42%
LME	LEAD	1976.00	14.25	0.73%
LME	ZINC	2806.75	16.25	0.58%

MCX Price Performance

Commodity	Expiry	LTP (₹)	Change	% Change
GOLD	Apr-21	44672	799.00	1.82%
SILVER	May-21	63905	781.00	1.24%
CRUDE OIL	Apr-21	4413	-42.00	-0.94%
NATURAL GAS	Apr-21	191.30	-1.30	-0.67%
COPPER	Apr-21	667.85	2.35	0.35%
NICKEL	Apr-21	1182.60	10.80	0.92%
LEAD	Apr-21	163.15	0.20	0.12%
ZINC	Apr-21	219.95	0.95	0.43%

Source: Bloomberg, Reuters, ICICI Direct Research

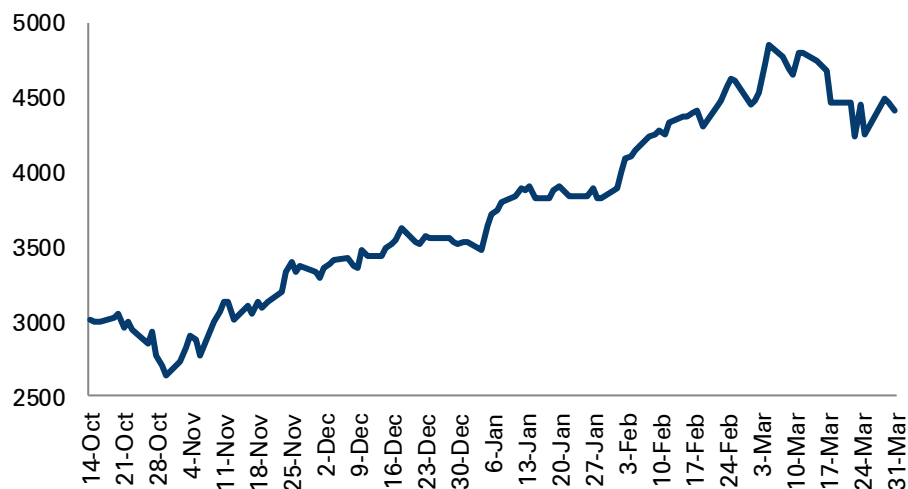
MCX Gold Daily Chart



Bullion Outlook

- Gold prices started Wednesday's trade on a negative note opening slightly lower and recovered strongly during most of the session till a high of ₹ 44990
- Overall, prices have been consolidating near their one year low in the last few sessions as elevated US bond yields and a stronger dollar diminished the safe-haven bullion's appeal
- Hence, we expect gold prices to consolidate in the range of ₹ 44200-45200 levels in the short-term

MCX Crude Oil Daily Chart



Energy Outlook

- Crude oil prices opened strongly higher on Wednesday and corrected gradually during most of the session till a low of ₹ 4337
- Prices remained subdued in the last two sessions amid concerns over near-term demand and dollar strength ahead of a closely watched Opec+ meeting this week at which the group will decide on output policy
- Therefore, we expect crude prices to consolidate in the range of ₹ 4330-4440 levels in the short-term

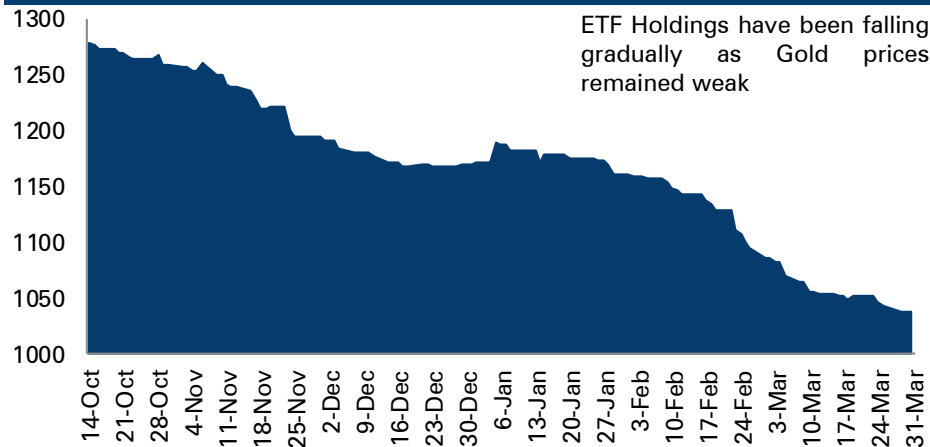
Daily Pivot Levels

Commodity	Expiry	S2	S1	Pivot	R1	R2
GOLD	Apr-21	43391	44031	44352	44992	45313
SILVER	May-21	62002	62953	63452	64403	64902
CRUDE OIL	Apr-21	4340	4376	4440	4476	4540
NATURAL GAS	Apr-21	186.1	188.7	191.6	194.2	197.1
COPPER	Apr-21	663.0	665.4	668.3	670.7	673.6
NICKEL	Apr-21	1164.5	1173.6	1180.5	1189.6	1196.5
LEAD	Apr-21	162.1	162.6	163.2	163.8	164.4
ZINC	Apr-21	216.9	218.4	219.7	221.2	222.5

Gold/Silver Ratio



SPDR Gold Holdings (Tonnes)



Standard & Poor's Depository Receipt (ETF) Holdings

US Crude Oil Inventories (Barrels)

Release Date	Time (IST)	Actual	Forecast
31-Mar-21	8:00 PM	-0.876M	0.107M
24-Mar-21	8:00 PM	1.912M	-0.272M
17-Mar-21	8:00 PM	2.396M	2.964M
10-Mar-21	9:00 PM	13.798M	0.816M
3-Mar-21	9:00 PM	21.563M	-0.928M
24-Feb-21	9:00 PM	1.285M	-5.190M

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.

Today's Major Economic Releases

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
7:15 AM	China	Caixin Manufacturing PMI (Mar)	51.3	50.9
1:30 PM	Euro zone	Manufacturing PMI (Mar)	62.4	62.4
6:00 PM	US	Initial Jobless Claims	680K	684K
7:15 PM	US	Manufacturing PMI (Mar)	59.0	58.6
7:30 PM	US	ISM Manufacturing Employment (Mar)	53.0	54.4
7:30 PM	US	ISM Manufacturing PMI (Mar)	61.3	60.8
8:00 PM	US	Natural Gas Storage	-25B	-36B

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Source: Bloomberg, Reuters, ICICI Direct Research

ANALYST CERTIFICATION

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