

February 11, 2021

## Daily Commodities Outlook

Daily Recommendations						
Commodity	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Nickel	Feb	Buy	1345-1346	1361	1335	Intraday
Natural gas	Feb	Buy	207-207.50	218	200	Intraday

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### Recent Developments

- Gold rose on Wednesday, hovering near a one-week peak hit in the previous session, as a weaker dollar and rising hopes on a US stimulus package elevated bullion's appeal as a hedge against inflation
- US President Joe Biden's \$1.9 trillion Coronavirus relief bill is expected to pass through Congress despite opposition from Republicans over the price tag
- Oil rose on Wednesday, extending its rally for a ninth day, its longest winning streak in two years, supported by producer supply cuts and hopes vaccine rollouts will drive a recovery in demand
- US crude inventories fell unexpectedly in the week, dropping 6.6 million barrels according to the Energy Information Administration, compared with an expected 985,000-barrel increase forecast in a Reuters poll
- Global demand for silver will rise to 1.025 billion ounces in 2021, its highest in eight years, as investors and industry ramp up purchases, the Silver Institute said on Wednesday, predicting that prices would rise
- The Coronavirus outbreak triggered a rush among investors to stockpile silver, which, like gold, is traditionally seen as a safe place to store money. That impetus will continue, the institute said, predicting purchases of bars and coins would rise to a six-year high of 257 million ounces in 2021

### Global Price Performance

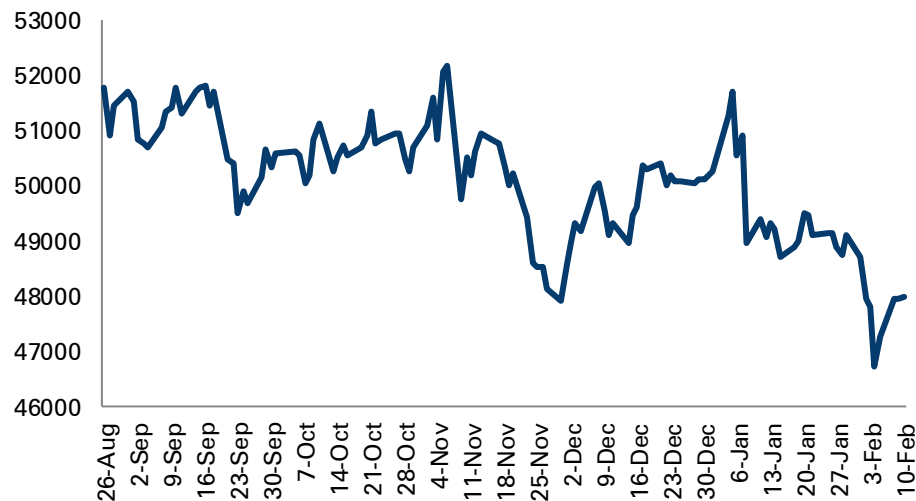
Exchange	Commodity	LTP (\$)	Change	% Change
COMEX	GOLD	1842.25	4.75	0.26%
COMEX	SILVER	27.10	-0.30	-1.10%
NYMEX	CRUDE OIL	58.72	0.36	0.62%
NYMEX	NATURAL GAS	2.88	0.06	2.23%
LME	COPPER	8287.25	129.25	1.58%
LME	NICKEL	18655.00	272.50	1.48%
LME	LEAD	2079.75	7.75	0.37%
LME	ZINC	2724.00	19.25	0.71%

### MCX Price Performance

Commodity	Expiry	LTP (₹)	Change	% Change
GOLD	Apr-21	47985	37.00	0.08%
SILVER	Mar-21	68840	-856.00	-1.23%
CRUDE OIL	Feb-21	4285	28.00	0.66%
NATURAL GAS	Feb-21	210.20	5.10	2.49%
COPPER	Feb-21	637.90	8.35	1.33%
NICKEL	Feb-21	1356.70	17.70	1.32%
LEAD	Feb-21	167.10	1.00	0.60%
ZINC	Feb-21	216.80	1.80	0.84%

Source: Bloomberg, Reuters, ICICI Direct Research

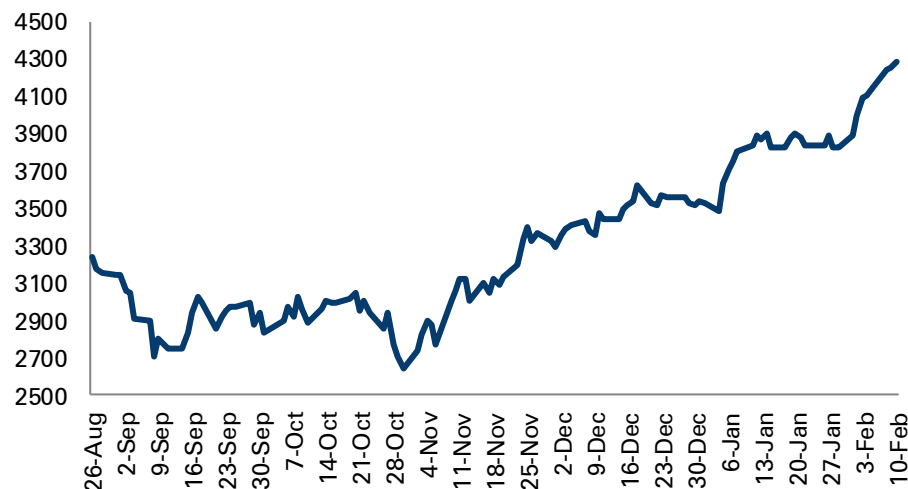
## MCX Gold Daily Chart



## Bullion Outlook

- Gold prices started Wednesday's trade on a strong note opening higher and rose further during the first half of the session till a high of ₹ 48374. However, prices did not sustain at higher levels and corrected gradually during the remaining session till a low of ₹ 47822
- Overall, prices remained supported in the last few sessions as investors weighed a weaker dollar and the prospects of more US stimulus amid rising inflation expectations
- Hence, we expect gold prices to remain positive towards ₹ 48500 level in the short-term

## MCX Crude Oil Daily Chart



## Energy Outlook

- Crude oil prices opened flat on Wednesday and rose gradually during most of the session till a fresh one-year high of ₹ 4293
- Prices have been rallying gradually in the last two weeks underpinned by Covid-19 vaccine breakthroughs and Saudi Arabia's pledge to deepen production cuts. However, some concerns that higher prices will attract renewed supplies to the market, curbing further rallies
- Therefore, we expect crude prices to consolidate in the range of ₹ 4200-4300 levels in the short-term

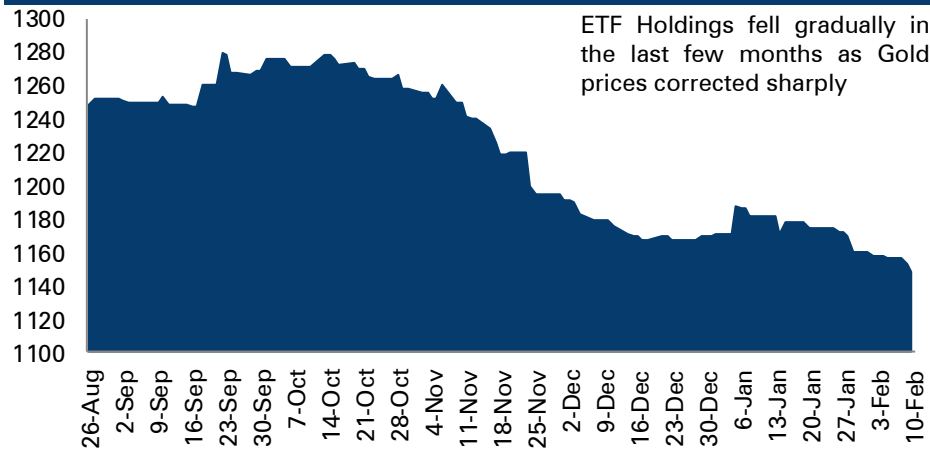
## Daily Pivot Levels

Commodity	Expiry	S2	S1	Pivot	R1	R2
GOLD	Apr-21	47508	47747	48060	48299	48612
SILVER	Mar-21	67486	68163	69081	69758	70676
CRUDE OIL	Feb-21	4210	4248	4270	4308	4330
NATURAL GAS	Feb-21	194.3	202.2	208.1	216.0	221.9
COPPER	Feb-21	627.0	632.5	636.4	641.9	645.8
NICKEL	Feb-21	1327.0	1341.9	1350.4	1365.3	1373.8
LEAD	Feb-21	165.3	166.2	166.9	167.8	168.4
ZINC	Feb-21	212.7	214.8	216.2	218.3	219.7

## 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	Previous
10-Feb-21	9:00 PM	-6.644M	0.985M	-0.994M
3-Feb-21	9:00 PM	-0.994M	0.446M	-9.910M
27-Jan-21	9:00 PM	-9.910M	0.430M	4.351M
22-Jan-21	9:30 PM	4.351M	-1.167M	-3.247M
13-Jan-21	9:00 PM	-3.247M	-2.266M	-8.010M
6-Jan-21	9:00 PM	-8.010M	-2.133M	-6.065M

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.

Source: Bloomberg, Reuters, ICICI Direct Research

# Today's Major Economic Releases

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
2:30 PM	US	IEA Monthly Report	-	-
5:30 PM	ALL	OPEC Monthly Report	-	-
7:00 PM	US	Initial Jobless Claims	757K	779K
9:00 PM	US	Natural Gas Storage	-192B	-192B
9:30 PM	US	Fed Monetary Policy Report	-	-

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*Source: Bloomberg, Reuters, ICICI Direct Research*

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