

March 22, 2021

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude	Apr	Sell	4500-4510	4450	4545	Intraday
Metdex	Mar	Buy	13900-13905	13970	13870	Intraday

Research Analysts

Raj Deepak Singh

rajdeepak.singh@icicisecurities.com

Mohit Agarwal

mohit.agarwal@icicisecurities.com

Dipesh Dedhia

dipesh.dedhia@icicisecurities.com

Recent Developments

- MCX BULLDEX traded 0.05% higher at 14330 as gold prices rose from lower levels while silver remained slightly bearish for the day. MCX METLDEX traded 0.8% higher at 13905 as zinc and copper prices recovered sharply from lower levels
- Gold edged higher on Friday, on track for a second consecutive weekly gain, as a slight retreat by the dollar and US Treasury yields offered support to the safe-haven metal
- The benchmark US 10-year yield eased to 1.671% from Thursday's more than one-year peak at 1.754% while the dollar gave up early gains
- Oil rose more than 2% in volatile trading on Friday but finished the week about 7% lower as a new wave of Coronavirus infections across Europe dampened hopes that fuel demand would recover soon
- Iran has moved record amounts of crude oil to top client China in recent months while India's state refiners have added Iranian oil to their annual import plans on the assumption that US sanctions on the Opec supplier will soon ease
- China's imports of copper metal and tin ore from Myanmar both fell more than 25% year-on-year in the first two months of 2021, customs data showed on Saturday, shedding some light on trade flows amid a state of emergency in the Southeast Asian country

MCX Price Performance

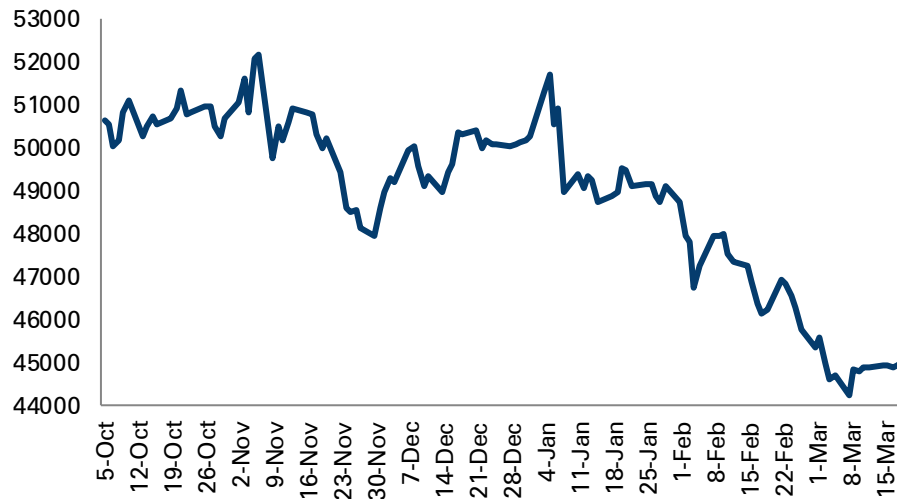
Commodity	Expiry	LTP (₹)	Change	% Change
GOLD	Apr-21	45008	57.00	0.13%
SILVER	May-21	67453	-294.00	-0.43%
CRUDE OIL	Apr-21	4468	3.00	0.07%
NATURAL GAS	Apr-21	186.30	1.90	1.03%
COPPER	Mar-21	674.20	-0.85	-0.13%
NICKEL	Mar-21	1167.00	7.40	0.64%
LEAD	Mar-21	162.25	1.30	0.81%
ZINC	Mar-21	219.00	2.55	1.18%

Global Price Performance

Exchange	Commodity	LTP (\$)	Change	% Change
COMEX	GOLD	1743.90	11.40	0.66%
COMEX	SILVER	26.33	-0.02	-0.08%
NYMEX	CRUDE OIL	61.44	0.00	0.00%
NYMEX	NATURAL GAS	2.55	0.07	2.62%
LME	COPPER	9064.25	68.25	0.76%
LME	NICKEL	16262.50	250.00	1.56%
LME	LEAD	1977.00	49.50	2.57%
LME	ZINC	2846.00	68.50	2.47%

Source: Bloomberg, Reuters, ICICI Direct Research

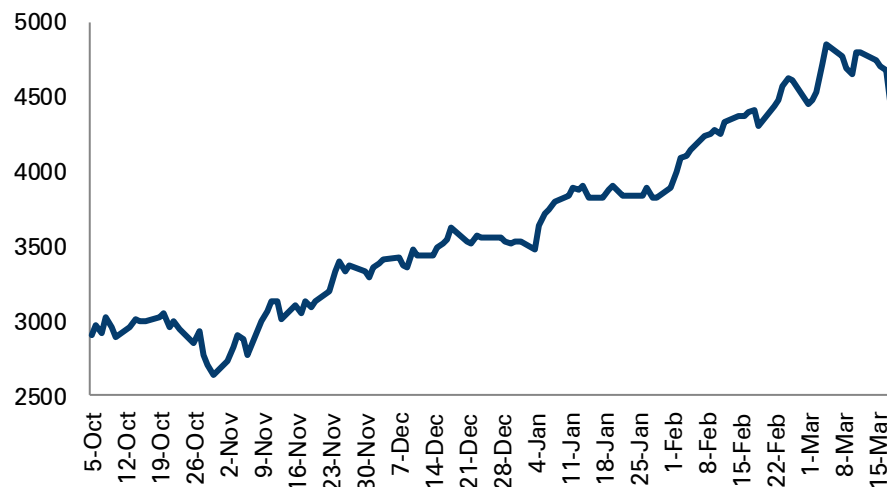
MCX Gold Daily Chart



Bullion Outlook

- Gold prices started Friday's trade on a positive note and consolidated during most of the session in the range of ₹ 44800-45100 levels
- Gold's upside looks very limited due to rising yields and buoyant risky assets
- Hence, we expect gold prices to consolidate in the range of ₹ 44400-45300 levels in the short-term

MCX Crude Oil Daily Chart



Energy Outlook

- Crude oil prices opened slightly lower on Friday and recovered gradually during most of the session till a high of ₹ 4474
- Oil prices went largely in one direction, up, as they were driven by Opec+ production cuts and the promise of economic reopening's from Covid-19. However, oil market headwinds related to European Union demand and Iran supply would slow market rebalancing in coming days
- Therefore, we expect crude prices to consolidate in the range of ₹ 4300-4500 level in the short-term

Source: Bloomberg, Reuters, ICICI Direct Research

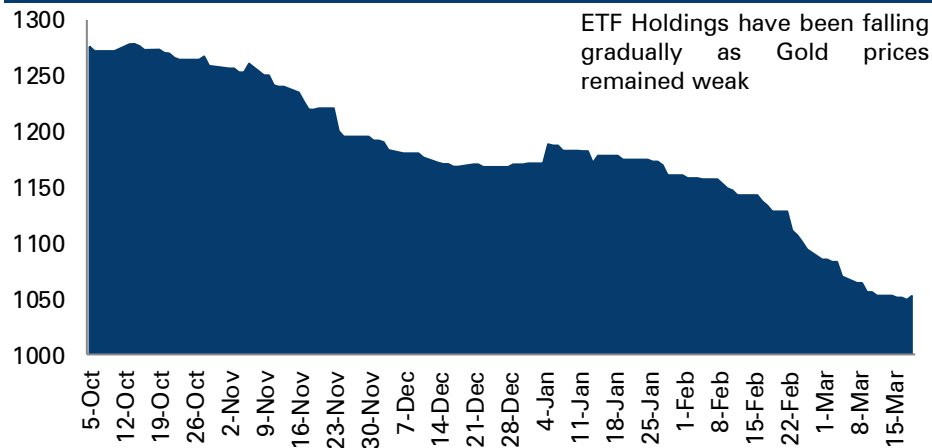
Daily Pivot Levels

Commodity	Expiry	S2	S1	Pivot	R1	R2
GOLD	Apr-21	44646	44827	44982	45163	45318
SILVER	May-21	66693	67073	67408	67788	68123
CRUDE OIL	Apr-21	4235	4352	4425	4542	4615
NATURAL GAS	Apr-21	180.2	183.2	185.0	188.0	189.8
COPPER	Mar-21	653.0	663.6	670.0	680.6	687.1
NICKEL	Mar-21	1133.9	1150.5	1161.7	1178.3	1189.5
LEAD	Mar-21	158.0	160.1	161.7	163.8	165.4
ZINC	Mar-21	213.1	216.1	218.1	221.0	223.0

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
24-Mar-21	10:30 AM	-	2.964M
17-Mar-21	10:30 AM	2.396M	2.964M
10-Mar-21	11:30 AM	13.798M	0.816M
3-Mar-21	11:30 AM	21.563M	-0.928M
24-Feb-21	11:30 AM	1.285M	-5.190M
18-Feb-21	12:00 PM	-7.258M	-2.429M

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.

TIME (IST)	COUNTRY	DATA & EVENTS	FORECAST	PREVIOUS
7:00 AM	China	PBoC Loan Prime Rate		3.9%
7:30 PM	US	Existing Home Sales (Feb)	6.49M	6.69M
7:30 PM	US	Existing Home Sales (MoM) (Feb)	-3.0%	0.6%

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
1st Floor, Akruti Trade Centre,
Road no.7, MIDC
Andheri (East)
Mumbai – 400 093
research@icicidirect.com



Source: Bloomberg, Reuters, ICICI Direct Research

ANALYST CERTIFICATION

I/We, Raj Deepak Singh BE, MBA (Finance), Mohit Agarwal BSc, MBA (Finance), Dipesh Dedhia BCom, MBA (Finance), Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.