

March 26, 2021

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude	Apr	Sell	4265-4270	4200	4300	Intraday
Metdex	Apr	Buy	13710-13720	13820	13665	Intraday

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Recent Developments

- MCX BULLDEX traded 0.27% lower at 14130 as gold prices remained volatile while silver also remained volatile with a negative bias. MCX METLDEX traded 0.49% lower at 13690 as copper and zinc prices came down sharply
- Gold prices eased on Thursday as a stronger US dollar overshadowed support from lower bond yields while worries that lockdowns across Europe are expected to take a toll on the pace of economic recovery
- US Federal Reserve members indicated on Wednesday that the central bank will start to raise rates depending on economic outcomes and will not reduce monetary policy accommodation until it sees actual improvements
- Oil prices fell 4% per barrel on Thursday, extending a string of market weakness on renewed lockdowns in Europe and Asia to head off a rising Coronavirus infection rate
- The Organization of Petroleum Exporting Countries (Opec) and allies, together called (Opec+), are expected to roll over their current supply curbs into May at a meeting scheduled for April 1, four Opec+ sources told Reuters. The group recently declined to increase supply on worries that Covid-19 infections would rise again
- Countries in Europe are renewing restrictions to curb Coronavirus infections, which will reduce demand from the region

MCX Price Performance

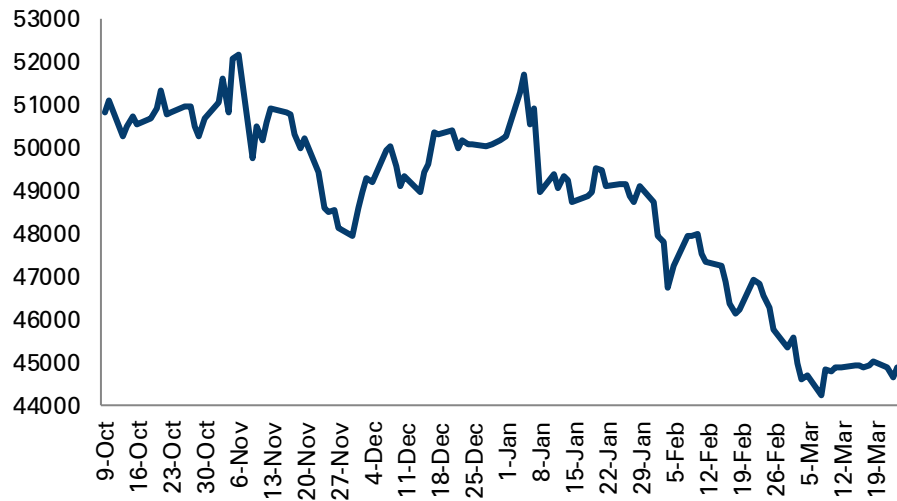
Commodity	Expiry	LTP (₹)	Change	% Change
GOLD	Apr-21	44701	-159.00	-0.35%
SILVER	May-21	64900	-345.00	-0.53%
CRUDE OIL	Apr-21	4249	-198.00	-4.45%
NATURAL GAS	Apr-21	190.60	2.90	1.55%
COPPER	Mar-21	655.50	-7.60	-1.15%
NICKEL	Mar-21	1215.00	53.50	4.61%
LEAD	Mar-21	158.75	-1.00	-0.63%
ZINC	Mar-21	216.55	0.65	0.30%

Global Price Performance

Exchange	Commodity	LTP (\$)	Change	% Change
COMEX	GOLD	1727.55	-5.65	-0.33%
COMEX	SILVER	25.15	-0.08	-0.33%
NYMEX	CRUDE OIL	58.52	-2.66	-4.35%
NYMEX	NATURAL GAS	2.57	0.05	1.95%
LME	COPPER	8798.25	-89.25	-1.00%
LME	NICKEL	16192.50	25.00	0.15%
LME	LEAD	1944.00	12.00	0.62%
LME	ZINC	2781.25	-5.25	-0.19%

Source: Bloomberg, Reuters, ICICI Direct Research

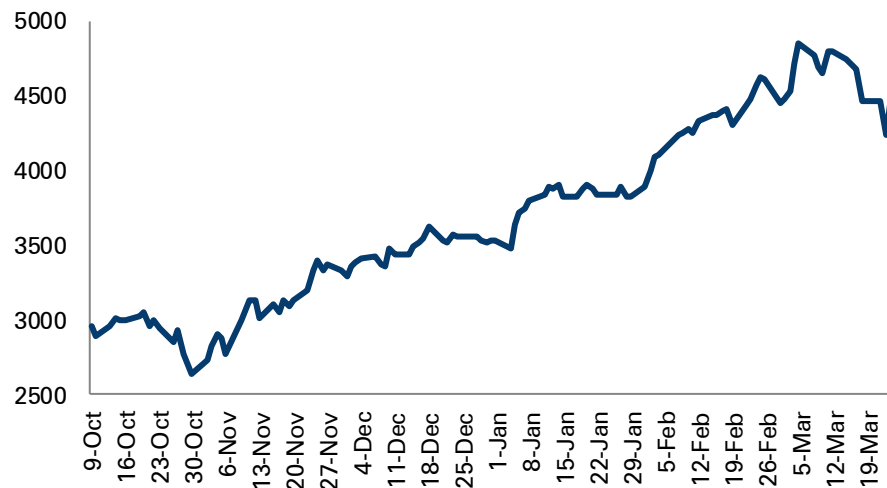
MCX Gold Daily Chart



Bullion Outlook

- Post a flat opening, gold remained volatile throughout the day
- Offering some respite to gold, US Treasury yields dipped, with the market appearing to stabilise after benchmark yields reached one-year highs last week
- Hence, we expect gold prices to consolidate in the range of ₹ 44500-45300 levels in the short-term

MCX Crude Oil Daily Chart



Energy Outlook

- Crude oil prices started Thursday's trade on a flat note and fell sharply during most of the session till a low of ₹ 4200
- Worries about demand due to new pandemic restrictions in Europe countered supply concerns that had lifted prices a day earlier when a container ship blocked the Suez Canal
- Therefore, we expect crude prices to consolidate in the range of ₹ 4100-4400 level in the short-term

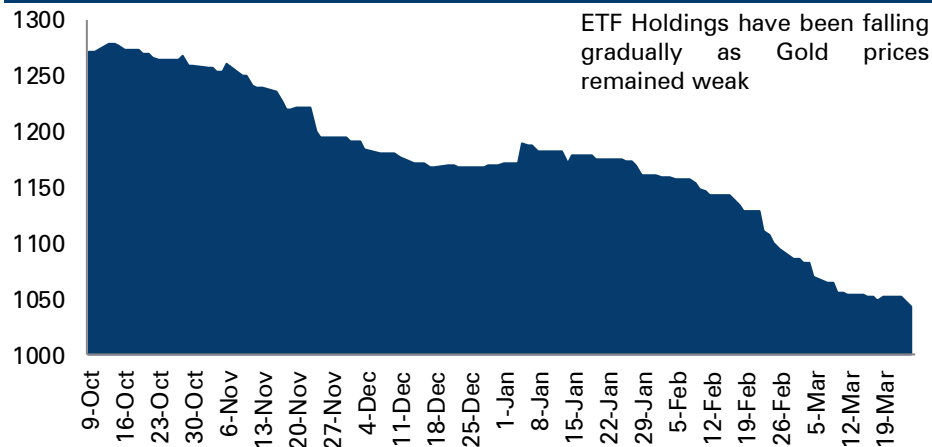
Daily Pivot Levels

Commodity	Expiry	S2	S1	Pivot	R1	R2
GOLD	Apr-21	44350	44525	44777	44952	45204
SILVER	May-21	62716	63808	64503	65595	66290
CRUDE OIL	Apr-21	4072	4161	4289	4378	4506
NATURAL GAS	Apr-21	181.9	186.3	189.0	193.4	196.1
COPPER	Mar-21	645.4	650.5	657.1	662.1	668.7
NICKEL	Mar-21	1108.5	1161.7	1200.8	1254.0	1293.1
LEAD	Mar-21	155.8	157.3	159.1	160.6	162.5
ZINC	Mar-21	212.5	214.5	215.6	217.6	218.7

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
24-Mar-21	08:00PM	1.912M	-0.272M
17-Mar-21	08:00PM	2.396M	2.964M
10-Mar-21	08:00PM	13.798M	0.816M
3-Mar-21	08:00PM	21.563M	-0.928M
24-Feb-21	08:00PM	1.285M	-5.190M
18-Feb-21	08:00PM	-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
3:30 PM	EUR	EU Leaders Summit		
7:00 PM	US	Personal Income (MoM) (Feb)	-7.3%	10.0%
7:00 PM	US	Personal Spending (MoM) (Feb)	-0.7%	2.4%

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Source: Bloomberg, Reuters, ICICI Direct Research

ANALYST CERTIFICATION

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