

6 January 2022



US Factory Orders @ 20:30 IST

Commodities were mostly seen over negative terrain as the week progress. Precious metals edged lower in today's session. The London spot gold dipped around 0.90 percent and traded near 1794 ounce while spot silver shed around 2.70 percent and traded slightly above USD 22 per troy ounce. Whereas crude oil prices inched up. Both benchmark variants gained in their respective platforms. WTI crude in NYMEX traded above USD 79 per barrel while ICE Brent traded near USD 82 per barrel. NYMEX Natural gas shed around 0.7 percent to near 3.855 per mmBtu. Base metals were broadly over negative turf in MCX platform.

- US dollar steadied against its key rivals on hawkish signals from Fed's meeting minutes. The FOMC policymakers pointed to a reduction in bond holdings in the coming months, also expressed concern about inflation and said the jobs market is nearing full employment.
- Precious metals slipped following the Fed minutes that signaled hawkish tone. The LBMA spot gold slipped below 1800 an ounce.
- As per the private payrolls report, US companies hired at the fastest pace in seven months in December ahead of escalating concerns over surging Covid cases. The markets attention is now shifted to the key Non-farm payrolls data due for tomorrow.
- Crude oil prices dipped from their highest levels in more than a month owing to the fall in US fuel stockpiles, but prices rebounded today amid rising energy prices in Europe that bolstered sentiments in crude oil.
- Natural gas prices in Europe surged after low supplies from Russia reignited concerns about an energy crunch as colder weather approaches. Russian Yamal pipeline were on reverse flows for 15th day, while Russia's Putin blamed Germany for re-selling gas.
- BHP said it will adapt its Cerro Colorado copper mine in Chile to lessen the impact of a recent court ruling that prevents it from drawing water for its operations, while it waits for the decision to be reconsidered.

Evening Picks

Commodity	Contract	Strategy	Entry	TGT	Stop Loss
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The views/strategies expressed in the Evening Picks i.e., BUY/SELL purely based on technical analysis and recommended only for intraday trading. Fundamental factors, sudden currency volatility and other data/news events that have a bearing on price movements were not considered while preparing this report.

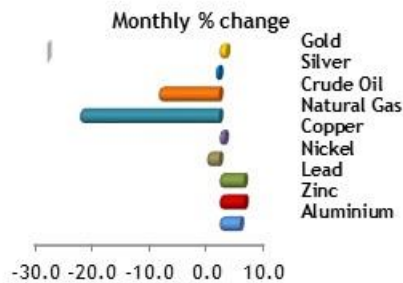
MAJOR COMMODITIES IN MCX /NCDEX

Commodity	Last	%Chg	Open	High	Low	Previous Day Close	Vol
Gold	47655	-0.76	47768	47865	47526	48021	4700
Silver	60813	-2.29	62049	62049	60390	62238	14396
Crude Oil	5876	0.82	5800	5896	5709	5828	26764
Natural Gas	288.7	1.12	287.5	290.3	284	285.5	17844
Copper	736.9	-0.86	741.35	742.75	731.25	743.3	5050
Nickel	1554.1	-0.78	1557	1562.7	1543	1566.3	3146
Lead	185.7	-0.67	186.95	187.5	184.8	186.95	845
Zinc	288.8	-0.36	289.9	290.45	286.45	289.85	2384
Aluminium	231.05	0.09	231.4	232	229	230.85	2704

INTERNATIONAL PRICES

Commodity	Rate	% Chg
Gold (\$/oz)	1803.1	-0.36
Silver (\$/oz)	22.37	-1.77
Nymex Crude (\$/bbl)	78.68	1.07
Nymex NG (\$/mmbtu)	3.85	-0.82
SHFE Copper (CNY/T)	69470	-0.94
SHFE Nickel (CNY/T)	151170	-1.94
SHFE Lead (CNY/T)	15030	-1.18
SHFE Zinc (CNY/T)	24360	0.19
SHFE Aluminium (CNY/T)	20750	2.34

GAINERS / LOSERS (MCX)



INDICES UPDATES

Indices	Rate	% Chg
Dow Jones Fut	36373.0	0.23
CAC**	7311.0	-0.89
DAX**	16136.6	-0.83
Shanghai*	3586.1	-0.25
MSCI Asia Pacific index	193.6	-0.411
Baltic Dry index	2289	0.18
Dollar index	96.12	-0.06

RATIOS

Ratio	5 Days			Monthly		90 Days	
	Daily	High	Low	High	Low	High	Low
Gold Silver ratio	78.38	78.38	76.76	79.87	76.69	79.87	72.40
Gold Crude ratio	128.92	135.95	128.92	154.59	128.92	154.59	119.52
Lead Zinc ratio	0.64	0.65	0.64	0.69	0.64	0.75	0.59
Lead Aluminium ratio	0.80	0.83	0.80	0.88	0.80	0.92	0.74

78.38 grams of Silver is required to buy one gram of Gold

128.92 liters of Crude is required to buy one gram of Gold

0.64 kg of Zinc is required to buy one Kg of Lead

0.80 kg of Aluminium is required to buy one Kg of Lead

ECONOMIC DATA

Time	Country	Importance	Event	Actual	Forecast	Previous
Monday, January 3, 2022						
All Day		Holiday	United Kingdom - New Year's Day			
All Day		Holiday	Japan - Market Holiday			
10:30	India	Moderate	Nikkei Markit Manufacturing PMI (Dec)			57.6
14:30	Euro	Moderate	Manufacturing PMI (Dec)		58	58
17:50	India	Moderate	Trade Balance			-22.91B
20:15	US	High	Manufacturing PMI (Dec)		57.8	58.3
Tuesday, January 4, 2022						
6:00	Japan	Moderate	Manufacturing PMI (Dec)			54.2
7:15	China	Moderate	Caixin Manufacturing PMI (Dec)		50	49.9
15:30	US	V High	OPEC Meeting			
20:30	US	V High	ISM Manufacturing PMI (Dec)		60.2	61.1
Wednesday, January 5, 2022						
3:00	US	High	API Weekly Crude Oil Stock			-3.090M
17:30	US	Moderate	MBA Mortgage Applications (WoW)			-0.60%
18:45	US	Moderate	ADP Nonfarm Employment Change (Dec)		400K	534K
20:30	US	Moderate	ISM Non-Manufacturing PMI (Dec)		67	69.1
21:00	US	High	EIA Crude Oil Inventories		-3.283M	-3.576M
21:00	US	High	EIA Weekly Distillates Stocks		1.525M	-1.726M
21:00	US	High	EIA Gasoline Inventories		1.775M	-1.458M
Thursday, January 6, 2022						
Tentative	US	V High	FOMC Meeting Minutes			
7:15	China	Moderate	Caixin Services PMI (Dec)			52.1
15:30	Euro	Moderate	PPI (MoM) (Nov)		1.10%	5.40%
15:30	Euro	Moderate	PPI (YoY) (Nov)		22.90%	21.90%
18:00	US	Moderate	Challenger Job Cuts (Dec)			14.875K
19:00	US	High	Continuing Jobless Claims		1,868K	1,716K
19:00	US	High	Initial Jobless Claims		208K	198K
19:00	US	Moderate	Trade Balance (Nov)		-70.00B	-67.10B
20:30	US	High	Factory Orders (MoM) (Nov)		1.30%	1.00%
20:30	US	Moderate	ISM Non-Manufacturing PMI (Dec)		66.8	69.1
21:00	US	High	Natural Gas Storage		-54B	-136B
Friday, January 7, 2022						
13:30	China	Moderate	FX Reserves (USD) (Dec)		3.212T	3.222T
15:30	Euro	Moderate	Consumer Confidence (Dec)		-8.3	-8.3
15:30	Euro	Moderate	CPI (MoM) (Dec)			0.40%
15:30	Euro	Moderate	CPI (YoY) (Dec)		4.70%	4.90%
15:30	Euro	Moderate	Retail Sales (YoY) (Nov)		5.60%	1.40%
15:30	Euro	Moderate	Retail Sales (MoM) (Nov)		-0.50%	0.20%
19:00	US	V High	Manufacturing Payrolls (Dec)		35K	31K
19:00	US	V High	Nonfarm Payrolls (Dec)		400K	210K
19:00	US	V High	Unemployment Rate (Dec)		4.10%	4.20%
23:30	US	Moderate	U.S. Baker Hughes Oil Rig Count			480
23:30	US	Moderate	U.S. Baker Hughes Total Rig Count			586

BULLION

GOLD M MCX Feb

Intra Day



Near Term



Technical Levels

R3	49100/49450
R2	48730/48920
R1	48160/48340/48480
Turnaround	47820
S1	47490/47310
S2	47170
S3	46950/46740

SILVER M MCX Feb

Intra Day



Near Term



Technical Levels

R3	65900
R2	64700/65200
R1	62800/63400/64000
Turnaround	61500
S1	60450/60000/59200
S2	58650
S3	57900



Technical Commentary

Weakness may stretch lower towards 47490 or even more. Even in this bearish expectation, recovery trades above 47820 could lift prices higher.



Technical Commentary

Early price pullback may be seen towards 61200 region to initiate next stage of weakness to 60000. But recovery trades which sustain above 61500 may push prices higher.

ENERGY

CRUDEOIL

MCX Jan

Intra Day



Near Term



Technical Levels

R3	6080
R2	5950/6025
R15	5890
Turnaround	5845
S1	5745/5675/5610
S2	5570/5535
S3	5500/5445



Technical Commentary

By breaking off the upside hindrance of 5845 could lift prices higher. Which if remain undisturbed may call fresh long liquidation move in the later session.

NATURAL GAS

MCX Jan

Intra Day



Near Term



Technical Levels

R3	332/340
R2	318/325
R1	295/305/311
Turnaround	282
S1	276/272/265/261
S2	256
S3	247



Technical Commentary

Present short covering move likely to uphold towards the price objective of 295. But a vertical fall below 282 may be sign of further weakness.

BASE METALS

Copper MCX Jan

Intra Day



Near Term



Technical Levels

R3	774
R2	763/768/771
R1	747.50/752/757
Turnaround	741
S1	731/726
S2	733/729/725
S3	720



Technical Commentary

Prices still have room for weakness and such emerging selling move may stretch towards 726 or even more. On the flipside, recovery trades above 741 may be sign of intraday price recovery.

NICKEL MCX Jan

Intra Day



Near Term



Technical Levels

R3	1628/1640
R2	1592/1605
R1	1573/1584
Turnaround	1560
S1	1534/1522
S2	1508
S3	1488/1473/1460



Technical Commentary

Current feebleness of prices largely to continue to with an immediate price objective of 1534 region or even lower. But reclaiming trades above 1560 would bid intraday buying in the session to come.

BASE METALS

Zinc MCX Jan

Intra Day



Near Term



Technical Levels

R3	298/301
R2	295.50
R1	290.70/293.80
Turnaround	288.60
S1	284/282.30
S2	280
S3	277.60

Lead MCX Jan

Intra Day



Near Term



Technical Levels

R3	198
R2	193/195.50
R1	186.60/188.80/190.40
Turnaround	184
S1	183
S2	182.20/180/178.40
S3	177



Technical Commentary

Present long liquidation move may extend lower towards the downside objective of 284 or even lower. But recovery trades above 288.60 may be a sign of fresh buying.



Technical Commentary

Witnessing weakness largely to extend lower towards 184 or even lower in the session to come. Botched attempt to crack below the same may boost prices higher.

BASE METALS

Aluminium MCX Jan

Intra Day



Near Term



Technical Levels

R3 236.50/238

R2 233.40/235

R1 231.70

Turnaround 228.60

S1 226/223.30/221

S2 218.80.216.50

S3 214



Technical Commentary

Fall below 228.60 may be a sign of long liquidation move. If not, could expect previous session buying to persist towards 231.70 or even higher.



Buying
sentiment/
Bullish



Selling
sentiment/
Bearish



Neutral/
sideways

S1/S2/S3 -Support level - Price points where buying pressure thought to be strong enough to counter selling pressure.

R1/R2/R3 -Resistance level - - Price points where selling pressure thought to be strong enough to counter buying pressure.

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