

Daily Commodity Analysis Report

Thursday, April 30, 2020
Thursday



MARKET MOVEMENT

| Commodity | Unit | Last | % Cng | Weekly | Monthly | YTD | Yearly | 50DMA | 100DMA | 200DMA |
|-------------|---------------|----------|-------|--------|---------|--------|---------|-------|--------|--------|
| Gold | 1 Kg | 45546.00 | -1.13 | -3.76 | 4.40 | 16.46 | 29.94 | BUY | BUY | BUY |
| Silver | 30 Kg | 41775.00 | 0.15 | -5.94 | 2.11 | -10.57 | 10.34 | SELL | SELL | SELL |
| \$Gold | 100 Tr. Oz | 1711.65 | 0.08 | -0.30 | 4.83 | 12.83 | 25.41 | BUY | BUY | BUY |
| \$ Silver | 5000 Tr. Oz | 15.242 | -0.19 | -1.65 | 5.78 | -14.41 | 2.18 | SELL | SELL | SELL |
| Crude | 100 BBL | 1183.00 | 17.71 | -31.95 | -51.06 | -73.03 | -292.31 | SELL | SELL | SELL |
| Nat.Gas | 1250 mmBtu | 143.30 | -4.21 | 13.19 | 14.03 | -7.85 | -22.68 | BUY | BUY | SELL |
| \$ Crude | 1,000 Barrels | 15.06 | 22.04 | -28.33 | -50.88 | -74.85 | -322.35 | SELL | SELL | SELL |
| \$ Nat. Gas | 10000 mmBtu | 1.87 | -4.06 | 13.19 | 14.03 | -7.85 | -22.68 | BUY | BUY | SELL |
| Aluminium | 1MT | 132.30 | -0.53 | -1.85 | -1.55 | -6.34 | -14.29 | SELL | SELL | SELL |
| Copper | 2500Kg | 408.00 | 0.07 | 2.46 | 8.03 | -7.54 | -14.90 | BUY | SELL | SELL |
| Lead | 1MT | 133.85 | 0.11 | -1.76 | 1.49 | -13.48 | -6.46 | SELL | SELL | SELL |
| Nickel | 1500Kg | 937.30 | -0.55 | 3.05 | 7.56 | -8.93 | 7.97 | BUY | SELL | SELL |
| Zinc | 1MT | 152.10 | -0.23 | -0.82 | 5.03 | -17.04 | -48.88 | SELL | SELL | SELL |
| LME Alum | 25 Tonnes | 1508.00 | 0.27 | -0.36 | -2.16 | -16.39 | -23.28 | SELL | SELL | SELL |
| LME Copp | 25,000 Lbs. | 5276.50 | 0.58 | 3.01 | 8.75 | -14.48 | -20.29 | BUY | SELL | SELL |
| LME Lead | 5 Tonnes | 1646.50 | -0.15 | -2.70 | -2.79 | -14.40 | -17.25 | BUY | SELL | SELL |
| LME Nickel | 250 Kg | 12335.00 | 0.12 | 4.58 | 9.01 | -12.34 | 0.00 | BUY | SELL | SELL |
| LME Zinc | 5 Tonnes | 1948.50 | 0.26 | 0.92 | 4.38 | -14.29 | -40.85 | SELL | SELL | SELL |

Note:

* 50DMA - If prices trading above 50DMA "BUY" Signal is shown

* 100DMA - If prices trading above 50DMA "BUY" Signal is shown

* 200DMA - If prices trading above 50DMA "BUY" Signal is shown

* 50DMA - If prices trading below 50DMA "SELL" Signal is shown

* 100DMA - If prices trading below 50DMA "SELL" Signal is shown

* 200DMA - If prices trading below 50DMA "SELL" Signal is shown

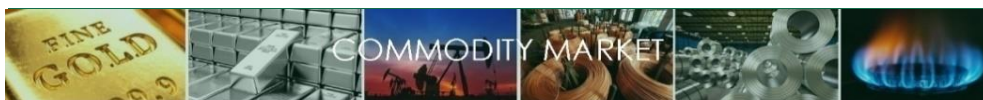
* Domestic Rates are as per closing basis and International rates are as per 8.30am

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Thursday, April 30, 2020



SMIFS
LIMITED
LEGACY | TRUST | GROWTH

Currency Snapshot

| Currency | Last | % Cng | |
|--------------|--------|-------|---|
| USDINR | 75.93 | -0.26 | ▼ |
| EURINR | 82.35 | -0.44 | ▼ |
| GBPINR | 94.10 | -1.01 | ▼ |
| JPYINR | 71.25 | -0.04 | ▼ |
| EURUSD | 1.0870 | -0.02 | ▼ |
| GBPUSD | 1.2459 | -0.12 | ▼ |
| USDJPY | 106.68 | 0.05 | ▲ |
| Dollar Index | 99.54 | 0.03 | ▲ |

Indices Snapshot

| Indices | Last | Change | |
|----------|----------|--------|---|
| NIFTY | 9553.35 | 1.84 | ▲ |
| SENSEX | 32720.16 | 1.89 | ▲ |
| HANGSENG | 24643.59 | 0.28 | ▲ |
| NIKKEI | 19771.19 | -0.06 | ▼ |
| STRAITS | 2574.73 | 0.46 | ▲ |
| CAC 40 | 4631.75 | 1.36 | ▲ |
| DAX | 11010.94 | 1.99 | ▲ |
| DJIA | 24550.80 | 1.86 | ▲ |
| NASDAQ | 8861.87 | 2.95 | ▲ |
| JAKARTA | 4567.32 | 0.83 | ▲ |
| KOSPI | 1947.56 | 0.70 | ▲ |

LME Stock Snapshot

| Commodity | Stock | Cng |
|------------|---------|------|
| LME Alum | 1346775 | -225 |
| LME Copp | 256100 | -50 |
| LME Lead | 73525 | |
| LME Nickel | 231156 | 24 |
| LME Zinc | 97525 | 675 |

Economical Data

| Time | Currency | Data | Fcst | Prev |
|---------|----------|-----------------------------------|--------|--------|
| 11:30am | EUR | German Retail Sales m/m | -0.084 | 0.012 |
| 12:30pm | EUR | Spanish Flash CPI y/y | | |
| 1:30pm | EUR | Italian Monthly Unemployment Rate | 0.105 | 0.097 |
| 2:30pm | EUR | Unemployment Rate | 0.077 | 0.073 |
| 3:30pm | EUR | Italian Prelim GDP q/q | -0.05 | -0.003 |
| 5:15pm | EUR | Main Refinancing Rate | | |
| 5:15pm | EUR | Monetary Policy Statement | | |
| 6:00pm | EUR | ECB Press Conference | | |
| 6:00pm | USD | Unemployment Claims | 3500K | 4427K |
| 6:00pm | USD | Personal Spending m/m | -0.042 | 0.002 |

Open Interest Snapshot

| Commodity | Last | OI | % Cng | Status |
|-----------|----------|-------|--------|------------------|
| Gold | 45546.00 | 13665 | -7.12 | Long Liquidation |
| Silver | 41775.00 | 1552 | -27.65 | Short Covering |
| Crude | 1183.00 | 10260 | -11.99 | Short Covering |
| Nat.Gas | 143.30 | 4385 | -23.47 | Long Liquidation |
| Aluminium | 132.30 | 3274 | 11.1 | Fresh Selling |
| Copper | 408.00 | 2508 | 4.41 | Fresh Buying |
| Lead | 133.85 | 1706 | 4.6 | Fresh Buying |
| Nickel | 937.30 | 752 | -8.74 | Long Liquidation |
| Zinc | 152.10 | 8545 | -5.57 | Long Liquidation |

Calendar Spreads Snapshot

| Commodity | Near Month | Next Month | Spread | P. Spread | Change |
|-----------|------------|------------|--------|-----------|--------|
| Gold | 45546.00 | 45657.00 | 111.00 | 171.00 | 60.00 |
| Silver | 41775.00 | 42362.00 | 587.00 | 632.00 | 45.00 |
| Crude | 1183.00 | 1523.00 | 340.00 | 423.00 | 83.00 |
| Nat.Gas | 143.30 | 159.60 | 16.30 | 16.70 | 0.40 |
| Aluminium | 132.30 | 133.40 | 1.10 | 2.25 | 1.15 |
| Copper | 408.00 | 410.10 | 2.10 | 1.85 | -0.25 |
| Lead | 133.85 | 134.55 | 0.70 | 0.65 | -0.05 |
| Nickel | 937.30 | 934.70 | -2.60 | -8.20 | -5.60 |
| Zinc | 152.10 | 153.05 | 0.95 | 0.40 | -0.55 |

Commodity Ratio Snapshot

| Commodity | Annual | | | |
|-----------------------|--------|--------|--------|--------|
| | Close | Max | Min | Avg |
| Gold / Silver Ratio | 109.03 | 112.00 | 77.48 | 85.68 |
| Gold / Crude Ratio | 38.50 | 53.33 | 5.55 | 9.79 |
| Gold / Copper Ratio | 111.63 | 119.82 | 66.75 | 80.38 |
| Silver / Crude Ratio | 35.31 | 48.26 | 6.92 | 11.09 |
| Silver / Copper Ratio | 102.39 | 114.80 | 82.05 | 93.60 |
| Zinc / Lead Ratio | 113.63 | 172.17 | 105.33 | 129.05 |
| Crude / Nat.Gas Ratio | 8.26 | 30.35 | 5.86 | 21.33 |

Commodity Market Daily Trading Levels

| Commodity | Close | Support 3 | Support 2 | Support 1 | Pivot Point | Resist 1 | Resist 2 | Resist 3 | Trend |
|----------------|----------|-----------|-----------|-----------|-------------|----------|----------|----------|----------|
| Gold | 45546.00 | 44562.00 | 45011.00 | 45279.00 | 45728.00 | 45996.00 | 46445.00 | 46713.00 | Negative |
| Silver | 41775.00 | 40859.00 | 41212.00 | 41494.00 | 41847.00 | 42129.00 | 42482.00 | 42764.00 | Positive |
| \$ Gold | 1712.04 | 1698.50 | 1702.90 | 1707.30 | 1711.70 | 1716.10 | 1720.50 | 1724.90 | Negative |
| \$ Silver | 15.29 | 15.00 | 15.10 | 15.10 | 15.20 | 15.20 | 15.30 | 15.30 | Positive |
| Crude oil | 1183.00 | 804.00 | 917.00 | 1050.00 | 1163.00 | 1296.00 | 1409.00 | 1542.00 | Positive |
| Natural Gas | 143.30 | 130.80 | 136.00 | 139.70 | 144.90 | 148.60 | 153.80 | 157.50 | Negative |
| \$ Crude oil | 15.06 | 10.23 | 11.89 | 13.47 | 15.13 | 16.71 | 18.37 | 19.95 | Positive |
| \$ Natural Gas | 1.8690 | 1.7153 | 1.7877 | 1.8283 | 1.9007 | 1.9413 | 2.0137 | 2.0543 | Negative |
| Aluminium | 132.30 | 131.30 | 131.70 | 132.10 | 132.50 | 132.90 | 133.30 | 133.70 | Negative |
| Copper | 408.00 | 403.00 | 404.70 | 406.40 | 408.10 | 409.80 | 411.50 | 413.20 | Positive |
| Lead | 133.85 | 132.00 | 132.60 | 133.20 | 133.80 | 134.40 | 135.00 | 135.60 | Positive |
| Nickel | 937.30 | 922.40 | 927.20 | 932.30 | 937.10 | 942.20 | 947.00 | 952.10 | Negative |
| Zinc | 152.10 | 150.00 | 150.80 | 151.40 | 152.20 | 152.80 | 153.60 | 154.20 | Negative |
| LME Aluminium | 1504.00 | 1483.67 | 1492.33 | 1498.17 | 1506.83 | 1512.67 | 1521.33 | 1527.17 | Negative |
| LME Copper | 5246.00 | 5119.00 | 5158.00 | 5202.00 | 5241.00 | 5285.00 | 5324.00 | 5368.00 | Positive |
| LME Lead | 1649.00 | 1620.67 | 1629.33 | 1639.17 | 1647.83 | 1657.67 | 1666.33 | 1676.17 | Positive |
| LME Nickel | 12320.00 | 12028.33 | 12106.67 | 12213.33 | 12291.67 | 12398.33 | 12476.67 | 12583.33 | Negative |
| LME Zinc | 1943.50 | 1919.67 | 1926.83 | 1935.17 | 1942.33 | 1950.67 | 1957.83 | 1966.17 | Negative |

MCX GOLD

Technical Chart



| Open | High | Low | Close | Net Cng |
|----------|----------|----------|----------|---------|
| 45925.00 | 46177.00 | 45460.00 | 45546.00 | -520.00 |
| OI | % OI | Volume | Trend | % Cng |
| 13665.00 | -7.12 | 10499.00 | Negative | -1.13 |

Fundamentals

Gold yesterday settled down by -1.13% at 45546 as optimism over economies easing coronavirus lockdowns whetted risk appetite, with investors awaiting the U.S. Federal Reserve's monetary policy decision. There is sufficient fundamental support from safe-haven demand, but no panic-buying, although the uncertainty regarding the virus and also the economy remains too high for gold to really lose ground. Investors across the world are building their hopes that the pandemic may be peaking as parts of the United States, Europe and Australia gradually ease restrictions. The Fed has cut interest rates, resumed bond-buying and backstopped credit markets in response to the economic damage caused by the novel coronavirus, which has infected more than 1 million people in the United States. Gold, considered a safe investment during times of political and financial uncertainty, tends to benefit from widespread stimulus measures as it is often seen as a hedge against inflation and currency debasement. China's gold consumption fell by almost half in the first quarter as coronavirus containment measures and rising prices hit demand in the world's biggest market, the China Gold Association said. Consumption totalled 148.63 tonnes in January-March, down 48.2% from a year earlier, the association said in statement on its website, with consumption of jewellery down 51.1% to 92.04 tonnes and that of gold bars and coins down 47%. Technically market is under long liquidation as market has witnessed drop in open interest by -7.12% to settled at 13665 while prices down -520 rupees, now Gold is getting support at 45279 and below same could see a test of 45011 levels, and resistance is now likely to be seen at 45996, a move above could see prices testing 46445.

Trading Idea for the day

Gold trading range for the day is 45011-46445.

Gold prices edged lower as optimism over economies easing coronavirus lockdowns whetted risk appetite

Investors across the world are building their hopes that the pandemic may be peaking as parts of the US, Europe and Australia gradually ease restrictions

India's gold imports plunged more than 73% year-on-year in March to their lowest in 6-1/2 years

MCX SILVER

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|-----------|----------|---------|
| 149.60 | 150.10 | 141.20 | 143.30 | -6.30 |
| OI | % OI | Volume | Trend | % Cng |
| 4385.00 | -23.47 | 167206.00 | Negative | -4.21 |

Fundamentals

Silver yesterday settled up by 0.15% at 14775 amid an increase in risk sentiment after reports said several coronavirus hot spots in Europe, and some states in the U.S. are set to reopen businesses over the next few days. However, the metal's downside was somewhat halted after a report from the Conference Board showed a sharp deterioration in U.S. consumer confidence in the month of April. The report released by the Conference Board said consumer confidence in the U.S. deteriorated significantly in the month of April, although there was an improvement in consumer expectations. The Conference Board said its consumer confidence index plunged to 86.9 in April after tumbling to a downwardly revised 118.8 in March. Eurozone economic sentiment suffered its steepest ever decline in April, plunging by more than expected as coronavirus lockdowns brought much economic activity to a halt, a monthly European Commission survey showed. The economic sentiment crashed to 67.0 points - its largest fall since measurements started in 1985 - from a downwardly revised 94.2 in March and 103.4 in February. Confidence among consumers dropped to 22.7 in April from 11.6 in March, in line with the earlier published flash estimate. The European Central Bank's policy statement is due on Thursday. The ECB is widely expected to leave its Quantitative Easing program unchanged. Technically market is under short covering as market has witnessed drop in open interest by -27.65% to settled at 1552 while prices up 63 rupees, now Silver is getting support at 41494 and below same could see a test of 41212 levels, and resistance is now likely to be seen at 42129, a move above could see prices testing 42482.

Trading Idea for the day

Silver trading range for the day is 41212-42482.

Silver dropped amid an increase in risk sentiment after reports said several coronavirus hot spots in Europe, and some states in the U.S. are set to reopen businesses

However, the metal's downside was somewhat halted after a report showed a sharp deterioration in U.S. consumer confidence in the month of April.

Eurozone economic sentiment suffered its steepest ever decline in April, plunging by more than expected

MCX CRUDEOIL

Technical Chart



| Open | High | Low | Close | Net Cng |
|----------|---------|-----------|----------|---------|
| 1045.00 | 1276.00 | 1030.00 | 1183.00 | 178.00 |
| OI | % OI | Volume | Trend | % Cng |
| 10260.00 | -11.99 | 262931.00 | Positive | 17.71 |

Fundamentals

Crude oil yesterday settled up by 17.71% at 1183 as support seen to news about several places in Europe and some U.S. states reopening businesses after a prolonged shutdown contributed as well to the rise in oil prices. Also data from the EIA showing a smaller-than-expected increase in crude stockpiles in the week ended April 22, and some positive news about treatment of the COVID-19 pushed up crude oil prices. Markets were supported on hopes demand would recover after some authorities announced the easing of coronavirus-related restrictions. At least 16 U.S. states looked set to restart business, but Britain said it was too dangerous to relax the lockdown for fear of a second outbreak. U.S. crude inventories rose by 10 million barrels in the week to April 24 to 510 million barrels, compared with expectations for a build of 10.6 million barrels, data from industry group, the American Petroleum Institute, showed. In the previous week, crude inventories rose by 15 million barrels to 518.6 million barrels, within striking distance of an all-time record of 535 million barrels set in 2017, the U.S. government said. Globally, storage onshore was estimated to be about 85% full as of last week, according to data. OPEC oil supply in April is at its highest since December 2018, a company that tracks oil shipments said, as producers pump at will before the supply curbs takes effect. Technically market is under short covering as market has witnessed drop in open interest by -11.99% to settled at 10260 while prices up 178 rupees, now Crude oil is getting support at 1050 and below same could see a test of 917 levels, and resistance is now likely to be seen at 1296, a move above could see prices testing 1409.

Trading Idea for the day

Crude oil trading range for the day is 917-1409.

Crude oil gained after U.S. stockpiles rose less than expected and hopes grew for demand to pick up

Russian Energy Minister Alexander Novak said the country's oil output could fall by up to 15% this year

U.S. crude inventories rose by 10 million barrels to 510 million barrels, compared with expectations for a build of 10.6 million barrels, data from API showed.

MCX NATURALGAS

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|-----------|----------|---------|
| 149.60 | 150.10 | 141.20 | 143.30 | -6.30 |
| OI | % OI | Volume | Trend | % Cng |
| 4385.00 | -23.47 | 167206.00 | Negative | -4.21 |

Fundamentals

Nat.Gas yesterday settled down by -4.21% at 143.3 on long-term forecasts government lockdowns to stop the coronavirus spread will reduce domestic demand for the fuel and have already cut liquefied natural gas (LNG) and pipeline exports. Prices slipped despite a continued slowdown in output as drillers shut oil wells in shale basins due to the collapse in crude prices. Those oil wells also produce a lot of gas. The U.S. Energy Information Administration (EIA) projected gas production will fall to an annual average of 91.7 billion cubic feet per day (bcfd) in 2020 and 87.5 bcfd in 2021 from a record 92.2 bcfd in 2019 as drillers shut wells and cut spending on new drilling. That would be the first annual production decline since 2016 and the first time output fell for two consecutive years since 2005. Data provider Refinitiv said gas output in the U.S. Lower 48 states averaged just 92.7 bcfd so far in April, down from an all-time monthly high of 95.3 bcfd in November. With milder, spring-like weather coming, Refinitiv projected demand in the Lower 48 states, including exports, would slide from an average of 86.7 bcfd this week to 85.1 bcfd next week. Looking ahead, gas futures for the balance of 2020 and calendar 2021 were trading even higher than the front-month on expectations demand will jump as the economy snaps back once governments loosen travel and work restrictions. Technically market is under long liquidation as market has witnessed drop in open interest by -23.47% to settled at 4385 while prices down -6.3 rupees, now Natural gas is getting support at 139.7 and below same could see a test of 136 levels, and resistance is now likely to be seen at 148.6, a move above could see prices testing 153.8.

Trading Idea for the day

Natural gas trading range for the day is 136-153.8.

Natural gas eased on long-term forecasts government lockdowns to stop the coronavirus spread will reduce domestic demand for the fuel.

Prices slipped despite a continued slowdown in output as drillers shut oil wells in shale basins due to the collapse in crude prices.

EIA projected gas production will fall to an annual average of 91.7 billion cubic feet per day (bcfd) in 2020 and 87.5 bcfd in 2021

MCX COPPER

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|----------|----------|---------|
| 407.50 | 409.80 | 406.40 | 408.00 | 0.30 |
| OI | % OI | Volume | Trend | % Cng |
| 2508.00 | 4.41 | 11510.00 | Positive | 0.07 |

Fundamentals

Copper yesterday settled up by 0.07% at 408 as the market focused on stagnating economic activity and falling demand due to the coronavirus crisis, but production cuts by major miners due to lockdowns provided support. Copper prices are still under pressure amid demand uncertainty, noting restrictions lifting outside of China have been gradual and there is a risk of a second wave of lockdowns to contain the virus. Freeport-McMoRan's El Abra copper mine in Chile said it would scale back copper processing by 40% and lay off workers as global prices for the red metal plunge, the latest cut among many. Expectations of weaker demand in the short term can be seen in the \$26 a tonne discount for the cash over the three-month copper contract. China's Ministry of Ecology and Environment approved quotas for imports of another 2,150 tonnes of high-grade copper scrap in 2020. The China Solid Waste and Chemicals Management Bureau, part of the environment ministry, issued only 11 scrap metal quotas in its sixth round of allowances for 2020, following a much larger batch earlier this month. The quotas are being closely watched amid signs that top metals consumer China, which tightened restrictions on scrap metal imports from July last year, could be leaving itself short of a key source of supply. Technically market is under fresh buying as market has witnessed gain in open interest by 4.41% to settled at 2508 while prices up 0.3 rupees, now Copper is getting support at 406.4 and below same could see a test of 404.7 levels, and resistance is now likely to be seen at 409.8, a move above could see prices testing 411.5.

Trading Idea for the day

Copper trading range for the day is 404.7-411.5.

Copper prices steadied as the market focused on stagnating economic activity and falling demand due to the coronavirus crisis.

Copper prices are still under pressure amid demand uncertainty, noting restrictions lifting outside of China have been gradual

Expectations of weaker demand in the short term can be seen in the \$26 a tonne discount for the cash over the three-month copper contract.

MCX ZINC

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|----------|----------|---------|
| 152.15 | 153.00 | 151.60 | 152.10 | -0.35 |
| OI | % OI | Volume | Trend | % Cng |
| 8545.00 | -5.57 | 31259.00 | Negative | -0.23 |

Fundamentals

Zinc yesterday settled down by -0.23% at 152.1 on profit booking after prices gained due to supply disruptions caused by the coronavirus pandemic and as improving demand in China added support. Zinc treatment charges (TCs) declined very fast in recent weeks due to the shortage in supply of concentrate and some zinc smelters to cut production in Q2-Q3. Spot TCs of zinc, or fees that miners pay smelters to process zinc ore into refined metal, have been hovering at a one-year low of \$245 a tonne. Bonded warehouses zinc premiums in China were at \$85 a tonne their highest since March 9. Zinc inventories in warehouses tracked by ShFE fell to 133,349 tonnes on Friday, the lowest since Feb. 14, latest data showed. The discount of LME zinc cash over the three-month contract shrunk to \$6.25 a tonne, its smallest since March 20, indicating the tightening of nearby supplies. The global zinc market surplus deepened to 130,100 tonnes in February from a revised surplus of 57,900 tonnes in January, data from the International Lead and Zinc Study Group (ILZSG) showed. The January figure was revised from a surplus of 35,600 tonnes in last month's data. During the first two months of the year, the global surplus rose to 188,000 tonnes from 45,000 tonnes in the same period last year. Technically market is under long liquidation as market has witnessed drop in open interest by -5.57% to settled at 8545 while prices down -0.35 rupees, now Zinc is getting support at 151.4 and below same could see a test of 150.8 levels, and resistance is now likely to be seen at 152.8, a move above could see prices testing 153.6.

Trading Idea for the day

Zinc trading range for the day is 150.8-153.6.

Zinc dropped on profit booking after prices gained due to supply disruptions caused by the coronavirus pandemic and improving demand in China.

Zinc treatment charges (TCs) declined very fast in recent weeks due to the shortage in supply of concentrate

Bonded warehouses zinc premiums in China were at \$85 a tonne their highest since March 9.

MCX NICKEL

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|----------|----------|---------|
| 407.50 | 409.80 | 406.40 | 408.00 | 0.30 |
| OI | % OI | Volume | Trend | % Cng |
| 2508.00 | 4.41 | 11510.00 | Positive | 0.07 |

Fundamentals

Nickel yesterday settled down by -0.55% at 937.3 after Philippines' top two nickel miners said they expect to gradually resume mining and shipping operations in the country's main ore-producing region starting on May 1, following shutdowns to contain the virus. Macroeconomic development and potential capital outflow before the upcoming Labour Day holiday will be monitored. Spot trades of nickel thinned amid sufficient supplies as consumers mostly finished their pre-holiday stockpiling. Raw materials shortage at NPI plants could ease in June as major miners in the Philippines plan to resume operations. China's nickel ore imports in March fell 42.3% year on year, customs data showed, hitting a 25-month low after an export ban in top miner Indonesia from the start of 2020 and coronavirus-related disruptions in the Philippines. Total imports of nickel ore stood at 1.61 million tonnes last month, according to China's General Administration of Customs – the lowest monthly total since February 2018. Nickel ore stocks at Chinese ports are already at their lowest since June 2018 as supply tightens. Inbound shipments of nickel pig iron, a raw material for stainless steel that can still be exported from Indonesia, meanwhile more than tripled year-on-year to 327,099 tonnes. Official data showed that US wholesale inventories (preliminary reading) fell 1% on month in March, compared with an expected drop of 0.5%. Technically market is under long liquidation as market has witnessed drop in open interest by -8.74% to settled at 752 while prices down -5.2 rupees, now Nickel is getting support at 932.3 and below same could see a test of 927.2 levels, and resistance is now likely to be seen at 942.2, a move above could see prices testing 947.

Trading Idea for the day

Nickel trading range for the day is 927.2-947.

Nickel dropped after Philippines' top two nickel miners said they expect to gradually resume mining and shipping operations.

Raw materials shortage at NPI plants could ease in June as major miners in the Philippines plan to resume operations.

China's nickel ore imports in March fell 42.3% year on year, customs data showed, hitting a 25-month low.

MCX ALUMINIUM

Technical Chart



| Open | High | Low | Close | Net Cng |
|---------|--------|----------|----------|---------|
| 152.15 | 153.00 | 151.60 | 152.10 | -0.35 |
| OI | % OI | Volume | Trend | % Cng |
| 8545.00 | -5.57 | 31259.00 | Negative | -0.23 |

Fundamentals

Aluminium yesterday settled down by -0.53% at 132.3 with all eyes on the Fed's monetary policy and optimism that countries across the globe are getting closer to reopening their economies. Inventories in LME approved warehouses at 1.347 million tonnes are up 40% since March 17 and the highest since the middle of January. "In the first quarter of 2020, global primary aluminium demand decreased by 6.4% to 14.43 million tonnes," Russian aluminium producer Rusal said. "In the rest of the world demand dropped by 6.5% to 6.6 million tonnes, while Chinese demand decreased by 6.3% to 7.83 million tonnes." Official data showed that US wholesale inventories (preliminary reading) fell 1% on month in March, compared with an expected drop of 0.5%. The Conference Board's Consumer Confidence Index dropped to 86.9 in April, compared with the expected 87.9. Today, the US government will report first-quarter GDP growth. The Federal Reserve is expected to keep its benchmark interest rate unchanged at 0.00%-0.25%. China's imports of aluminium scrap expanded in March, as secondary aluminium producers in the country rushed to fulfill backlogged orders after suspending production for more than a month due to the COVID-19 outbreak. Data from China customs showed that China imported 77,000 mt of aluminium scrap last month, down 39.1% from March 2019. That brought total imports in the first three months of 2020 to 199,000 mt, down 40.1% from the same period last year. Technically market is under fresh selling as market has witnessed gain in open interest by 11.1% to settled at 3274 while prices down -0.7 rupees, now Aluminium is getting support at 132.1 and below same could see a test of 131.7 levels, and resistance is now likely to be seen at 132.9, a move above could see prices testing 133.3.

Trading Idea for the day

Aluminium trading range for the day is 131.7-133.3.

Aluminium prices dropped with all eyes on the Fed's monetary policy and optimism that countries across the globe are getting closer to reopening their economies

Inventories in LME approved warehouses at 1.347 million tonnes are up 40% since March 17 and the highest since the middle of January.

China's imports of aluminium scrap expanded in March, as secondary aluminium producers in the country rushed to fulfill backlogged orders.

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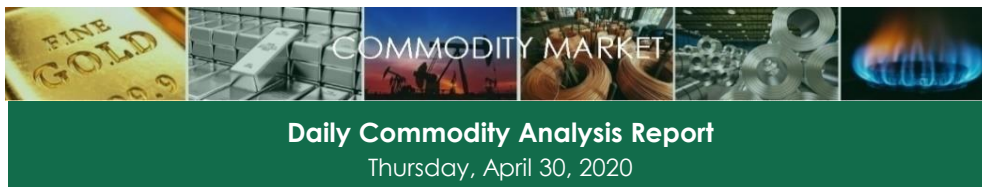
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