

Daily Commodity Analysis Report

Friday, July 30, 2021
Friday



MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA
Gold	1 Kg	48396.00	1.43	0.36	2.52	-3.84	-5.13	BUY	BUY	BUY
Silver	30 Kg	68200.00	2.73	-0.15	1.03	0.17	10.30	SELL	SELL	BUY
\$Gold	100 Tr. Oz	1828.15	0.02	1.08	2.86	-3.54	-3.04	SELL	BUY	BUY
\$ Silver	5000 Tr. Oz	25.564	0.25	0.02	-0.27	-2.57	11.98	SELL	SELL	SELL
Crude	100 BBL	5447.00	0.81	1.18	0.40	54.37	42.72	BUY	BUY	BUY
Nat.Gas	1250 mmBtu	301.90	1.41	9.55	19.90	66.12	55.50	BUY	BUY	BUY
\$ Crude	1,000 Barrels	73.62	1.70	1.87	0.11	50.45	43.35	BUY	BUY	BUY
\$ Nat. Gas	10000 mmBtu	4.06	2.32	9.55	19.90	66.12	55.50	BUY	BUY	BUY
Aluminium	5MT	206.30	2.05	4.05	7.55	45.88	33.12	BUY	BUY	BUY
Copper	2500Kg	757.55	0.87	3.52	6.09	27.38	32.33	BUY	BUY	BUY
Lead	5MT	177.20	0.28	-0.54	3.61	14.71	17.22	BUY	BUY	BUY
Nickel	1500Kg	1508.30	1.84	4.90	12.41	24.48	31.96	BUY	BUY	BUY
Zinc	5MT	247.05	0.86	1.34	6.07	34.80	28.63	BUY	BUY	BUY
LME Alum	25 Tonnes	2591.00	-0.21	3.99	6.42	30.90	34.14	BUY	BUY	BUY
LME Copp	25,000 Lbs.	9785.00	-0.56	3.91	5.72	26.80	33.82	BUY	BUY	BUY
LME Lead	5 Tonnes	2354.50	-0.49	2.26	8.19	19.08	22.78	SELL	SELL	BUY
LME Nickel	250 Kg	19725.00	-0.88	4.14	10.73	20.13	31.25	BUY	BUY	BUY
LME Zinc	5 Tonnes	3005.50	0.25	0.53	4.81	9.28	25.50	BUY	BUY	BUY

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

SMIFS Limited

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Friday, July 30, 2021



**SMIFS
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LEGACY | TRUST | GROWTH

Currency Snapshot

Currency	Last	% Cng	
USDINR	74.49	-0.17	▼
EURINR	88.48	0.37	▲
GBPINR	103.89	0.38	▲
JPYINR	67.84	0.00	▬
EURUSD	1.1883	-0.05	▼
GBPUSD	1.3955	-0.02	▼
USDJPY	109.50	0.03	▬
Dollar Index	91.94	0.05	▬

Indices Snapshot

Indices	Last	Change	
NIFTY	15778.45	0.44	▲
SENSEX	52653.07	0.40	▲
HANGSENG	26315.32	3.30	▲
NIKKEI	27782.42	0.73	▲
STRAITS	3180.61	1.24	▲
CAC 40	6654.92	0.69	▲
DAX	15617.34	0.30	▲
DJIA	34930.93	-0.36	▼
NASDAQ	14762.58	0.70	▲
JAKARTA	6120.73	0.53	▲
KOSPI	3242.65	0.18	▬

LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1395225	-6275
LME Copper	235175	4950
LME Lead	60900	-500
LME Nickel	215412	-408
LME Zinc	246775	-175

Economical Data

Time	Currency	Data	Fcst	Prev
11:00am	EUR	French Consumer Spending m/m	0.006	0.104
11:00am	EUR	French Flash GDP q/q	0.008	-0.001
12:15pm	EUR	French Prelim CPI m/m	-0.001	0.001
12:30pm	EUR	Spanish Flash GDP q/q	0.021	-0.004
12:30pm	EUR	Italian Monthly Unemployment Rate	0.106	0.105
1:30pm	EUR	German Prelim GDP q/q	0.02	-0.018
1:30pm	EUR	Italian Prelim GDP q/q	0.013	0.001
2:30pm	EUR	CPI Flash Estimate y/y	0.02	0.019
2:30pm	EUR	Core CPI Flash Estimate y/y	0.007	0.009
2:30pm	EUR	Italian Prelim CPI m/m	0.001	0.001

Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	48396.00	12395	5.99	Fresh Buying
Silver	68200.00	8306	-27.68	Short Covering
Crude	5447.00	6459	15.32	Fresh Buying
Nat.Gas	301.90	14651	-2.84	Short Covering
Aluminium	206.30	2984	25.64	Fresh Buying
Copper	757.55	3790	4.35	Fresh Buying
Lead	177.20	1351	7.99	Fresh Buying
Nickel	1508.30	2800	26.24	Fresh Buying
Zinc	247.05	1867	6.14	Fresh Buying

Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	48396.00	48578.00	182.00	216.00	-34.00
Silver	68200.00	69046.00	846.00	764.00	82.00
Crude	5447.00	5413.00	-34.00	-34.00	0.00
Nat.Gas	301.90	302.60	0.70	0.50	0.20
Aluminium	206.30	205.40	-0.90	-0.25	-0.65
Copper	757.55	760.70	3.15	1.90	1.25
Lead	177.20	178.55	1.35	1.20	0.15
Nickel	1508.30	1505.10	-3.20	-1.50	-1.70
Zinc	247.05	245.15	-1.90	-1.60	-0.30

Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	70.96	100.90	65.55	76.78
Gold / Crude Ratio	8.88	19.58	8.37	13.56
Gold / Copper Ratio	63.88	112.33	59.19	83.76
Silver / Crude Ratio	12.52	25.03	12.37	17.52
Silver / Copper Ratio	90.03	147.81	89.20	108.55
Zinc / Lead Ratio	139.42	141.74	111.81	130.72
Crude / Nat.Gas Ratio	18.04	25.87	10.60	19.87

Commodity Market Daily Trading Levels

Commodity	Close	Support 3	Support 2	Support 1	Pivot Point	Resist 1	Resist 2	Resist 3	Trend
Gold	48396.00	47450.00	47649.00	48022.00	48221.00	48594.00	48793.00	49166.00	Positive
Silver	68200.00	65311.00	66005.00	67102.00	67796.00	68893.00	69587.00	70684.00	Positive
\$ Gold	1827.74	1821.00	1823.70	1825.90	1828.60	1830.80	1833.50	1835.70	Positive
\$ Silver	25.51	25.20	25.30	25.40	25.50	25.60	25.70	25.80	Positive
Crude oil	5447.00	5336.00	5365.00	5406.00	5435.00	5476.00	5505.00	5546.00	Positive
Natural Gas	301.90	282.30	287.20	294.60	299.50	306.90	311.80	319.20	Positive
\$ Crude oil	73.62	72.02	72.33	72.98	73.29	73.94	74.25	74.90	Positive
\$ Natural Gas	4.0590	3.7883	3.8577	3.9583	4.0277	4.1283	4.1977	4.2983	Positive
Aluminium	206.30	198.10	199.80	203.10	204.80	208.10	209.80	213.10	Positive
Copper	757.55	743.90	747.50	752.60	756.20	761.30	764.90	770.00	Positive
Lead	177.20	174.30	175.30	176.20	177.20	178.10	179.10	180.00	Positive
Nickel	1508.30	1458.30	1469.40	1488.90	1500.00	1519.50	1530.60	1550.10	Positive
Zinc	247.05	241.60	242.90	245.10	246.40	248.60	249.90	252.10	Positive
LME Aluminium	2596.50	2465.67	2491.83	2544.17	2570.33	2622.67	2648.83	2701.17	Positive
LME Copper	9840.00	9552.00	9610.00	9725.00	9783.00	9898.00	9956.00	10071.00	Positive
LME Lead	2366.00	2306.00	2323.00	2344.50	2361.50	2383.00	2400.00	2421.50	Positive
LME Nickel	19900.00	19303.33	19426.67	19663.33	19786.67	20023.33	20146.67	20383.33	Positive
LME Zinc	2998.00	2925.17	2944.33	2971.17	2990.33	3017.17	3036.33	3063.17	Positive

MCX GOLD

Technical Chart



Open	High	Low	Close	Net Cng
47848.00	48420.00	47848.00	48396.00	682.00
OI	% OI	Volume	Trend	% Cng
12395.00	5.99	5809.00	Positive	1.43

Fundamentals

Gold yesterday settled up by 1.43% at 48396 as investors cheered U.S. Federal Reserve Chairman Jerome Powell's comments that the central bank was unlikely to hike rates anytime soon. Powell said the U.S. job market still had "some ground to cover" before it would be time to pull back support. Global demand for gold rose in the second quarter to its highest quarterly level in a year as central banks and investors stepped up purchases, the World Gold Council (WGC) said. But with jewellery fabrication still reeling from the COVID-19 pandemic, gold use over the first six months of 2021 was lower than in any first half since 2008, the WGC said in its latest quarterly report. Demand from jewellers and central banks plunged when the novel coronavirus spread last year, unsettling state finances, shutting stores and hitting incomes. Indian gold demand is likely to recover in the second half of 2021 from 35% below the pre-pandemic five-year average in the first half, as festivals and weddings are likely to boost retail purchases in the fourth quarter, the World Gold Council (WGC) said. Higher demand from the world's second-biggest gold consumer could support global prices that have corrected nearly 4% so far in 2021, although a rise in imports of the precious metal would widen India's trade deficit and weigh on the rupee. Technically market is under fresh buying as market has witnessed gain in open interest by 5.99% to settled at 12395 while prices up 682 rupees, now Gold is getting support at 48022 and below same could see a test of 47649 levels, and resistance is now likely to be seen at 48594, a move above could see prices testing 48793.

Trading Idea for the day

Gold trading range for the day is 47649-48793.

Gold jumped as investors cheered U.S. Federal Reserve Chairman Jerome Powell's comments that the central bank was unlikely to hike rates anytime soon.

Powell said the U.S. job market still had "some ground to cover" before it would be time to pull back support.

Gold demand has yet to recover fully from COVID 19, says WGC

MCX SILVER

Technical Chart



Open	High	Low	Close	Net Cng
66699.00	68490.00	66699.00	68200.00	1810.00
OI	% OI	Volume	Trend	% Cng
8306.00	-27.68	16359.00	Positive	2.73

Fundamentals

Silver yesterday settled up by 2.73% at 68200 amid softening dollar and signal by the US Federal Reserve that is in no rush to taper stimulus. Fed left the target range for its federal funds rate unchanged at 0-0.25% and bond-buying at the current \$120 billion monthly paces. The dollar slipped after the U.S. Federal Reserve's reassurance that interest rate hikes remain distant helped put the brakes on the U.S. currency, which has been rallying for a month now. Data showed that while the U.S. economy grew solidly in the second quarter, boosted by massive government aid, growth fell short of expectations. Gross domestic product increased at a 6.5% annualised rate last quarter, the Commerce Department said. U.S. Treasury yields trended lower after Wednesday's Fed statement, with inflation-adjusted real yields tumbling to a new low, weighing on the U.S. currency. The U.S. economy likely gained steam in the second quarter, with the pace of growth probably the second fastest in 38 years, as massive government aid and vaccinations against COVID-19 fueled spending on travel-related services. The anticipated acceleration in gross domestic product last quarter would lift the level of GDP above its peak in the fourth quarter of 2019. Technically market is under short covering as market has witnessed drop in open interest by -27.68% to settled at 8306 while prices up 1810 rupees, now Silver is getting support at 67102 and below same could see a test of 66005 levels, and resistance is now likely to be seen at 68893, a move above could see prices testing 69587.

Trading Idea for the day

Silver trading range for the day is 66005-69587.

Silver rose amid softening dollar and signal by the US Federal Reserve that is in no rush to taper stimulus.

Fed left the target range for its federal funds rate unchanged at 0-0.25% and bond-buying at the current \$120 billion monthly paces.

U.S. Federal Reserve's reassurance that interest rate hikes remain distant helped put the brakes on the U.S. currency

MCX CRUDEOIL

Technical Chart



Open	High	Low	Close	Net Cng
5410.00	5464.00	5394.00	5447.00	44.00
OI	% OI	Volume	Trend	% Cng
6459.00	15.32	34260.00	Positive	0.81

Fundamentals

Crude oil yesterday settled up by 0.81% at 5447 after data from the U.S. Energy Information Administration (EIA) showed U.S. crude inventories resumed a downward trend last week. The EIA report showed crude inventories in the U.S. fell by 4.089 million barrels last week, over a million barrels up from an expected drop of about 2.9 million barrels. Gasoline inventories dropped by 2.253 million barrels last week, more than twice the expected draw, the data showed. Distillate stockpiles, which include diesel and heating oil, fell by 3.088 million barrels, much more than an expected drop of 435,000 barrels. The drawdown in crude inventories to their lowest level since January 2020 raised optimism that supplies will remain tight despite the production hikes set by OPEC+. These stocks rose for the first time in nine weeks the previous week, prompting concerns that demand was peaking in the world's largest consumer. Meanwhile, traders shrugged off separate data showing that India's crude oil imports dropped to their lowest level in eight months in June. Crude oil imports dropped 7.8 percent from May as refiners cut down processing in the face of a tumultuous second wave of the coronavirus, data on the website of the Petroleum Planning and Analysis Cell (PPAC) showed. Technically market is under fresh buying as market has witnessed gain in open interest by 15.32% to settled at 6459 while prices up 44 rupees, now Crude oil is getting support at 5406 and below same could see a test of 5365 levels, and resistance is now likely to be seen at 5476, a move above could see prices testing 5505.

Trading Idea for the day

Crude oil trading range for the day is 5365-5505.

Crude oil seen supported after data from the U.S. EIA showed U.S. crude inventories resumed a downward trend last week.

The EIA report showed crude inventories in the U.S. fell by 4.089 million barrels last week

Gasoline inventories dropped by 2.253 million barrels last week, more than twice the expected draw, the data showed.

MCX NATURALGAS

Technical Chart



Open	High	Low	Close	Net Cng
296.00	304.40	292.10	301.90	4.20
OI	% OI	Volume	Trend	% Cng
14651.00	-2.84	211423.00	Positive	1.41

Fundamentals

Nat.Gas yesterday settled up by 1.41% at 301.9 on a smaller-than-expected storage build and forecasts for more air conditioning demand next week than previously expected. The U.S. Energy Information Administration (EIA) forecast utilities added 36 billion cubic feet (bcf) of gas into storage during the week ended July 23. Last week's injection boosted stockpiles to 2.714 trillion cubic feet (tcf), or 5.8% below the five-year average of 2.882 tcf for this time of year. Data provider Refinitiv said gas output in the U.S. Lower 48 states slipped to 91.6 bcfd so far in July, due mostly to pipeline problems in West Virginia early in the month. That would still be the most production seen during the month of July but was lower than June's 92.2-bcfd average and the all-time high of 95.4 bcfd in November 2019. Refinitiv projected average gas demand, including exports, would drop from 95.7 bcfd this week to 91.9 next week on expectations for less heat and air-conditioning demand. The forecast for next week was higher than Refinitiv predicted on Wednesday. The amount of gas flowing to U.S. LNG export plants averaged 10.8 bcfd so far in July, up from 10.1 bcfd in June but still below April's 11.5-bcfd record. U.S. pipeline exports to Mexico have averaged 6.6 bcfd so far in July, down from a record 6.8 bcfd in June. Technically market is under short covering as market has witnessed drop in open interest by -2.84% to settled at 14651 while prices up 4.2 rupees, now Natural gas is getting support at 294.6 and below same could see a test of 287.2 levels, and resistance is now likely to be seen at 306.9, a move above could see prices testing 311.8.

Trading Idea for the day

Natural gas trading range for the day is 287.2-311.8.

Natural gas rose on a smaller-than-expected storage build and forecasts for more air conditioning demand next week than previously expected.

EIA forecast utilities added 36 billion cubic feet (bcf) of gas into storage during the week ended July 23.

Data provider Refinitiv said gas output in the U.S. Lower 48 states slipped to 91.6 bcfd so far in July

MCX COPPER

Technical Chart



Open	High	Low	Close	Net Cng
753.35	759.80	751.10	757.55	6.55
OI	% OI	Volume	Trend	% Cng
3790.00	4.35	10852.00	Positive	0.87

Fundamentals

Copper yesterday settled up by 0.87% at 757.55 after signals from the U.S. Federal Reserve that it was in no rush to tighten and efforts by China to calm fears of new regulation spread a bullish mood through markets. Also lifting copper were the threat of a strike at a major mine in Chile and progress of a \$1 trillion infrastructure investment bill in the U.S. Senate. The union at BHP Group Ltd's Escondida copper mine in Chile, the world's largest, on Wednesday urged its members to vote to strike, saying the company was attempting to impose its will and its contract offer was "insufficient". The powerful, 2,300-member union is set to vote on BHP's contract offer between Thursday and Saturday this week. Jerome Powell said the Fed was "some ways away" from substantial progress on jobs that is needed to start tapering. China stepped up attempts to calm investor nerves after a market rout this week by telling foreign brokerages not to "overinterpret" its latest regulatory actions. The global world refined copper market showed a 75,000 tonnes deficit in April, compared with a 13,000 tonnes deficit in March, the International Copper Study Group (ICSG) said in its latest monthly bulletin. Technically market is under fresh buying as market has witnessed gain in open interest by 4.35% to settled at 3790 while prices up 6.55 rupees, now Copper is getting support at 752.6 and below same could see a test of 747.5 levels, and resistance is now likely to be seen at 761.3, a move above could see prices testing 764.9.

Trading Idea for the day

Copper trading range for the day is 747.5-764.9.

Copper prices rose after signals from the U.S. Federal Reserve that it was in no rush to tighten.

Also lifting copper were the threat of a strike at a major mine in Chile and progress of a \$1 trillion infrastructure investment bill in the U.S. Senate.

Union at BHP's Escondida copper mine urges members to strike

MCX ZINC

Technical Chart



Open	High	Low	Close	Net Cng
244.55	247.75	244.25	247.05	2.10
OI	% OI	Volume	Trend	% Cng
1867.00	6.14	5672.00	Positive	0.86

Fundamentals

Zinc yesterday settled up by 0.86% at 247.05 as the dollar slipped the U.S. Federal Reserve's reassurance that interest rate hikes remain distant helped put the brakes on the U.S. currency. Germany's annual consumer price inflation accelerated by more than expected to hit a 13-year high in July, leading services sector trade union Verdi to immediately demand "strong wage increases". Consumer prices, harmonised to make them comparable with inflation data from other European Union countries, rose by 3.1% in July compared with 2.1% in June, the Federal Statistics Office said. The US interest rate was unchanged in consideration of potential risks for economic outlook according to Fed's meeting, which corresponded with market expectation. Opinions came that Delta mutant will not greatly affect US economy, and the government was trying to stabilise market sentiment. The arrival of released reserves will take about two weeks, thus attention shall be paid to social restocking and influence on zinc prices. The U.S. economy likely gained steam in the second quarter, with the pace of growth probably the second fastest in 38 years, as massive government aid and vaccinations against COVID-19 fueled spending on travel-related services. The anticipated acceleration in gross domestic product last quarter would lift the level of GDP above its peak in the fourth quarter of 2019. Technically market is under fresh buying as market has witnessed gain in open interest by 6.14% to settled at 1867 while prices up 2.1 rupees, now Zinc is getting support at 245.1 and below same could see a test of 242.9 levels, and resistance is now likely to be seen at 248.6, a move above could see prices testing 249.9.

Trading Idea for the day

Zinc trading range for the day is 242.9-249.9.

Zinc prices gained as the dollar slipped Fed's reassurance that interest rate hikes remain distant helped put the brakes on the U.S. currency.

The Fed's rhetoric was still dovish, but was "more hawkish" than expected.

The arrival of released reserves will take about two weeks, thus attention shall be paid to social restocking.

MCX NICKEL

Technical Chart



Open	High	Low	Close	Net Cng
753.35	759.80	751.10	757.55	6.55
OI	% OI	Volume	Trend	% Cng
3790.00	4.35	10852.00	Positive	0.87

Fundamentals

Nickel yesterday settled up by 1.84% at 1508.3 buoyed by strong demand from stainless steel mills and electric vehicle battery makers, amid tight supply. Supplies are under pressure this year due to disruptions at nickel mines in New Caledonia, Russia and Canada. Vale, one of the world's largest producers, said nickel output declined in the second quarter of the year and it's reviewing annual guidance. Production at Vale's northeast Ontario operation halted when unionized workers went on strike on June 1 increasing extra charges consumers pay on top of nickel prices on the London Metal Exchange, as stockpiles of the metal dwindle. Meantime, electric-car maker Tesla Inc. struck a nickel-supply deal with BHP Group to avoid a future supply crunch. Healthy demand from stainless steel mills and electric vehicle battery makers is expected to underpin nickel prices over coming months, but rising supplies from top producer Indonesia are likely to weigh next year. New orders for key U.S.-made capital goods increased solidly in June despite supply constraints hampering production at some factories, suggesting business spending on equipment could remain strong beyond the second quarter. Orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, rose 0.5% last month, the Commerce Department said. Technically market is under fresh buying as market has witnessed gain in open interest by 26.24% to settled at 2800 while prices up 27.2 rupees, now Nickel is getting support at 1488.9 and below same could see a test of 1469.4 levels, and resistance is now likely to be seen at 1519.5, a move above could see prices testing 1530.6.

Trading Idea for the day

Nickel trading range for the day is 1469.4-1530.6.

Nickel prices rose buoyed by strong demand from stainless steel mills and electric vehicle battery makers, amid tight supply.

Booming stainless steel output to sustain nickel prices for months

Vale, one of the world's largest producers, said nickel output declined in the second quarter of the year

MCX ALUMINIUM

Technical Chart



Open	High	Low	Close	Net Cng
244.55	247.75	244.25	247.05	2.10
OI	% OI	Volume	Trend	% Cng
1867.00	6.14	5672.00	Positive	0.86

Fundamentals

Aluminium yesterday settled up by 2.05% at 206.3 supported by tight global supply and continued robust demand from the automotive, packaging, and construction sectors. Demand for the metal used in cars and planes has bounced back strongly from the coronavirus-induced blow, with global aluminum consumption seen rising 8% to around 69 million this year. Still, China's plans to continue releasing industrial metals from its reserves amid efforts to ease commodity price hikes and cost pressure on firms, concerns over the spread of the delta variant, and a surging dollar limited upside momentum in the near term. The U.S. economy contracted at a record average annualized rate of 19.2% from its peak in the fourth quarter of 2019 through the second quarter of 2020, government data showed, confirming that the COVID-19 recession was the worst ever. The pace of recovery from the pandemic downturn, the deepest going back to 1947, was equally stunning. The Commerce Department's Bureau of Economic Analysis said gross domestic product rebounded at a historic average rate of 18.3% between the second and fourth quarter of 2020. Germany's annual consumer price inflation accelerated by more than expected to hit a 13-year high in July, leading services sector trade union Verdi to immediately demand "strong wage increases". Technically market is under fresh buying as market has witnessed gain in open interest by 25.64% to settled at 2984 while prices up 4.15 rupees, now Aluminium is getting support at 203.1 and below same could see a test of 199.8 levels, and resistance is now likely to be seen at 208.1, a move above could see prices testing 209.8.

Trading Idea for the day

Aluminium trading range for the day is 199.8-209.8.

Aluminium prices rose supported by tight global supply and continued robust demand from the automotive, packaging, and construction sectors.

The U.S. economy contracted at a record average annualized rate of 19.2% from its peak in the fourth quarter of 2019

German inflation hits 13-yr high, union demands "strong wage increases"



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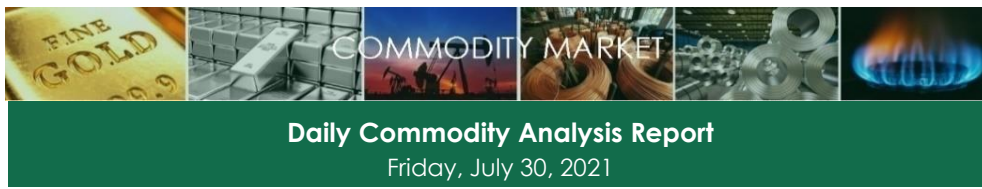
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