

# Daily Commodity Analysis Report

Wednesday, August 4, 2021  
Wednesday



## MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA
Gold	1 Kg	47864.00	-0.46	0.73	2.78	-4.52	-10.22	SELL	BUY	SELL
Silver	30 Kg	67914.00	0.04	1.29	-0.55	-0.30	7.70	SELL	SELL	BUY
\$Gold	100 Tr. Oz	1812.77	0.19	0.49	2.76	-4.63	-8.07	SELL	BUY	SELL
\$ Silver	5000 Tr. Oz	25.636	0.53	1.34	-0.96	-3.16	7.91	SELL	SELL	SELL
Crude	100 BBL	5238.00	-1.13	-2.21	-3.31	49.06	43.04	SELL	BUY	BUY
Nat.Gas	1250 mmBtu	300.00	1.52	-1.34	8.46	63.65	53.83	BUY	BUY	BUY
\$ Crude	1,000 Barrels	70.56	-0.98	-2.45	-4.04	45.01	42.83	SELL	BUY	BUY
\$ Nat. Gas	10000 mmBtu	4.03	2.34	-1.34	8.46	63.65	53.83	BUY	BUY	BUY
Aluminium	5MT	206.55	-0.67	3.90	4.19	46.16	31.46	BUY	BUY	BUY
Copper	2500Kg	736.65	-0.69	-3.17	2.79	23.98	31.17	BUY	BUY	BUY
Lead	5MT	177.35	-0.28	1.13	0.42	14.54	15.77	BUY	BUY	BUY
Nickel	1500Kg	1469.90	-0.57	-0.52	6.79	21.41	29.13	BUY	BUY	BUY
Zinc	5MT	245.15	-1.13	-1.18	3.06	33.54	25.51	BUY	BUY	BUY
LME Alum	25 Tonnes	2589.50	0.04	3.11	2.20	30.72	33.39	BUY	BUY	BUY
LME Copp	25,000 Lbs.	9583.00	0.24	-0.66	2.24	23.31	32.48	SELL	BUY	BUY
LME Lead	5 Tonnes	2397.00	0.17	0.77	4.20	20.24	21.81	SELL	SELL	BUY
LME Nickel	250 Kg	19255.00	-0.77	-0.49	5.06	16.93	28.85	BUY	BUY	BUY
LME Zinc	5 Tonnes	2980.00	0.1	-0.22	0.87	8.11	22.85	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**

5F, Vaibhav, 4 Lee Road, Kolkata – 700020, India

Page No

1



## Daily Commodity Analysis Report

Wednesday, August 4, 2021



**SMIFS  
LIMITED**  
LEGACY | TRUST | GROWTH

### Currency Snapshot

Currency	Last	% Cng	
USDINR	74.44	-0.15	▼
EURINR	88.54	-0.14	▼
GBPINR	103.70	0.04	▲
JPYINR	68.16	0.16	▲
EURUSD	1.1870	0.07	▲
GBPUSD	1.3926	0.10	▲
USDJPY	109.05	0.02	▲
Dollar Index	92.03	-0.05	▼

### Indices Snapshot

Indices	Last	Change	
NIFTY	16130.75	1.55	▲
SENSEX	53823.36	1.65	▲
HANGSENG	26194.82	-0.16	▼
NIKKEI	27641.83	-0.50	▼
STRAITS	3149.25	-0.38	▼
CAC 40	6732.45	0.85	▲
DAX	15585.34	0.11	▲
DJIA	34838.16	-0.28	▼
NASDAQ	14681.07	0.06	▲
JAKARTA	6130.57	0.56	▲
KOSPI	3237.14	0.44	▲

### LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1371150	-7425
LME Copper	238000	-650
LME Lead	59375	-375
LME Nickel	211068	-2052
LME Zinc	244950	-75

### Economical Data

Time	Currency	Data	Fcst	Prev
12:15pm	EUR	French Gov Budget Balance		-118.8B
12:45pm	EUR	Spanish Services PMI	63.1	62.5
1:15pm	EUR	Italian Services PMI	58.8	56.7
1:20pm	EUR	French Final Services PMI	57	57
1:25pm	EUR	German Final Services PMI	62.2	62.2
1:30pm	EUR	Final Services PMI	60.4	60.4
1:30pm	EUR	Italian Retail Sales m/m	0.019	0.002
2:00pm	GBP	Final Services PMI	57.8	57.8
2:30pm	EUR	Retail Sales m/m	0.016	0.046
5:45pm	USD	ADP Non-Farm Employment Change	645K	692K

### Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	47864.00	12599	-0.05	Long Liquidation
Silver	67914.00	8421	-0.61	Short Covering
Crude	5238.00	5261	-3.91	Long Liquidation
Nat.Gas	300.00	14681	35.78	Fresh Buying
Aluminium	206.55	2645	-18.11	Long Liquidation
Copper	736.65	4618	0.07	Fresh Selling
Lead	177.35	1229	-4.13	Long Liquidation
Nickel	1469.90	1819	-8.68	Long Liquidation
Zinc	245.15	1511	-31.07	Long Liquidation

### Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	47864.00	48075.00	211.00	167.00	44.00
Silver	67914.00	68770.00	856.00	861.00	-5.00
Crude	5238.00	5219.00	-19.00	-25.00	6.00
Nat.Gas	300.00	300.90	0.90	0.80	0.10
Aluminium	206.55	206.15	-0.40	-0.80	0.40
Copper	736.65	739.40	2.75	2.70	0.05
Lead	177.35	178.60	1.25	1.45	-0.20
Nickel	1469.90	1466.90	-3.00	-2.90	-0.10
Zinc	245.15	242.40	-2.75	-2.65	-0.10

### Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	70.48	100.90	65.55	76.69
Gold / Crude Ratio	9.14	19.58	8.37	13.48
Gold / Copper Ratio	64.98	112.33	59.19	83.45
Silver / Crude Ratio	12.97	25.03	12.33	17.44
Silver / Copper Ratio	92.19	147.81	87.51	108.25
Zinc / Lead Ratio	138.23	141.74	111.81	130.85
Crude / Nat.Gas Ratio	17.46	25.87	10.60	19.84

#### Commodity Market Daily Trading Levels

Commodity	Close	Support 3	Support 2	Support 1	Pivot Point	Resist 1	Resist 2	Resist 3	Trend
Gold	47864.00	47612.00	47713.00	47788.00	47889.00	47964.00	48065.00	48140.00	Negative
Silver	67914.00	66667.00	66975.00	67444.00	67752.00	68221.00	68529.00	68998.00	Positive
\$ Gold	1810.13	1804.40	1806.50	1809.60	1811.70	1814.80	1816.90	1820.00	Negative
\$ Silver	25.52	25.30	25.40	25.50	25.60	25.70	25.80	25.90	Positive
Crude oil	5238.00	4933.00	5039.00	5138.00	5244.00	5343.00	5449.00	5548.00	Negative
Natural Gas	300.00	283.80	287.50	293.70	297.40	303.60	307.30	313.50	Positive
\$ Crude oil	70.56	66.70	68.02	69.29	70.61	71.88	73.20	74.47	Negative
\$ Natural Gas	4.0270	3.7737	3.8443	3.9357	4.0063	4.0977	4.1683	4.2597	Positive
Aluminium	206.55	204.30	205.10	205.90	206.70	207.50	208.30	209.10	Negative
Copper	736.65	715.30	722.80	729.80	737.30	744.30	751.80	758.80	Negative
Lead	177.35	174.50	175.20	176.30	177.00	178.10	178.80	179.90	Negative
Nickel	1469.90	1432.00	1442.40	1456.20	1466.60	1480.40	1490.80	1504.60	Negative
Zinc	245.15	240.20	242.00	243.60	245.40	247.00	248.80	250.40	Negative
LME Aluminium	2588.50	2540.67	2561.83	2575.17	2596.33	2609.67	2630.83	2644.17	Negative
LME Copper	9560.00	9260.33	9372.67	9466.33	9578.67	9672.33	9784.67	9878.33	Negative
LME Lead	2393.00	2330.00	2347.00	2370.00	2387.00	2410.00	2427.00	2450.00	Negative
LME Nickel	19405.00	18811.67	18968.33	19186.67	19343.33	19561.67	19718.33	19936.67	Negative
LME Zinc	2977.00	2871.33	2915.67	2946.33	2990.67	3021.33	3065.67	3096.33	Negative

#### Latest News Update

U.S. manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages persisted, though there are signs of some easing in supply-chain bottlenecks. The survey from the Institute for Supply Management (ISM) showed a measure of prices paid by manufactures fell by the most in 16 months, while the supplier deliveries index retreated further from a 47-year high touched in May. The ISM's index of national factory activity fell to 59.5 last month, the lowest reading since January, from 60.6 in June. A reading above 50 indicates expansion in manufacturing, which accounts for 11.9% of the U.S. economy. Seventeen out of 18 manufacturing industries reported growth in July, including machinery as well as computer and electronic products. Only textile mills reported a decline. The survey's measure of supplier deliveries fell to 72.5 from a reading of 75.1 in June. The index vaulted to 78.8 in May, which was the highest reading since April 1974.

Factory activity in India bounced back in July as demand surged both at home and abroad, prompting companies to create new jobs for the first time since the onset of the pandemic, a private sector survey showed. The Manufacturing Purchasing Managers' Index, compiled by IHS Markit, jumped to 55.3 last month from 48.1 in June, well above 50-level separating growth from contraction. India grappled with a devastating second wave of coronavirus infections in April and May but falling case numbers have allowed many restrictions to be eased. The country is still reporting more than 40,000 cases per day, taking the total number of infections to around 31.6 million, but the economic re-opening induced higher demand and sales, leading to a sharp expansion in output. Employment rose for the first time since March 2020, breaking a 15-month chain of job shedding. However, the pace of hiring was mild, indicating a job crisis is still evident.

#### MCX GOLD

##### Technical Chart



Open	High	Low	Close	Net Cng
47935.00	47990.00	47814.00	47864.00	-222.00
OI	% OI	Volume	Trend	% Cng
12599.00	-0.05	4780.00	Negative	-0.46

##### Fundamentals

Gold yesterday settled down by -0.46% at 47864 as prices eased in a tight range as investors squared positions before U.S. jobs data later this week that could shed more light on labour market health and potentially influence the Federal Reserve's tapering timeline. Data showed U.S. manufacturing activity grew at a slower pace in July for the second straight month, pressuring the dollar and U.S. Treasury yields. Investors now await July's U.S. non-farm payroll numbers, due on Friday, following dovish commentary from Fed Chief Jerome Powell last week. Fed Governor Christopher Waller said the central bank could start to reduce its support by October if the next two monthly jobs reports each show employment rising by 800,000 to 1 million, as he expects. A Fed rate increase will dull gold's appeal as it translates into a higher opportunity cost of holding the non-yielding precious metal. The Institute for Supply Management (ISM) said its index of national factory activity fell to 59.5 last month, the lowest reading since January, from 60.6 in June. China's gold output fell 10.18% year-on-year in the first half of 2021 to 152.75 tonnes, as production was affected by safety inspections following some mine accidents, the China Gold Association said. Technically market is under long liquidation as market has witnessed drop in open interest by -0.05% to settled at 12599 while prices down -222 rupees, now Gold is getting support at 47788 and below same could see a test of 47713 levels, and resistance is now likely to be seen at 47964, a move above could see prices testing 48065.

##### Trading Idea for the day

Gold trading range for the day is 47713-48065.

Gold prices eased in a tight range as investors squared positions before U.S. jobs data later this week

Data showed U.S. manufacturing activity grew at a slower pace in July for the second straight month, pressuring the dollar and U.S. Treasury yields.

Investors now await July's U.S. non-farm payroll numbers, due on Friday, following dovish commentary from Fed Chief Jerome Powell last week.

#### MCX SILVER

##### Technical Chart



Open	High	Low	Close	Net Cng
67587.00	68060.00	67283.00	67914.00	25.00
OI	% OI	Volume	Trend	% Cng
8421.00	-0.61	9140.00	Positive	0.04

##### Fundamentals

Silver yesterday settled up by 0.04% at 67914 as prices remained in range as the dollar held steady amid growing concerns over Delta variant of coronavirus cases. The dollar traded in a tight range as the world continues to combat the biggest health crisis. The spread of the Delta variant from the mainland's coast to China's inland cities prompted authorities to implement strict counter epidemic measures. Meanwhile, a top Fed official said the U.S. central bank could start to reduce its support for the economy by October if the next two monthly jobs reports each show employment rising by 800,000 to 1 million. "We should go early and go fast, in order to make sure we're in position to raise rates in 2022, if we have to," Federal Reserve Governor Christopher Waller said. New orders for U.S.-made goods increased more than expected in June, while business spending on equipment was solid, pointing to sustained strength in manufacturing even as spending is shifting away from goods to services. The Commerce Department said that factory orders rose 1.5% in June after advancing 2.3% in May. The Institute for Supply Management reported that manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages persisted. Technically market is under short covering as market has witnessed drop in open interest by -0.61% to settled at 8421 while prices up 25 rupees, now Silver is getting support at 67444 and below same could see a test of 66975 levels, and resistance is now likely to be seen at 68221, a move above could see prices testing 68529.

##### Trading Idea for the day

Silver trading range for the day is 66975-68529.

Silver prices remained in range as the dollar held steady amid growing concerns over Delta variant of coronavirus cases.

The dollar traded in a tight range as the world continues to combat the biggest health crisis.

A top Fed official said the U.S. central bank could start to reduce its support for the economy by October.

### MCX CRUDEOIL

#### Technical Chart



Open	High	Low	Close	Net Cng
5308.00	5350.00	5145.00	5238.00	-60.00
OI	% OI	Volume	Trend	% Cng
5261.00	-3.91	81847.00	Negative	-1.13

#### Fundamentals

Crude oil yesterday settled down by -1.13% at 5238 as investors continue to worry over the impact of the spread of the coronavirus delta variant especially in the US and China. OPEC oil output rose in July to its highest since April 2020, a survey found, as the group further eased production curbs under a pact with its allies and top exporter Saudi Arabia phased out a voluntary supply cut. The Organization of the Petroleum Exporting Countries has pumped 26.72 million barrels per day (bpd), the survey found, up 610,000 bpd from June's revised estimate. Output has risen every month since June 2020 apart from in February. OPEC and allies, known as OPEC+, have been unwinding record output cuts agreed in April 2020, as demand and the economy recover. With oil prices rising to a 2 1/2-year high, OPEC+ decided this month on further hikes from August. While coronavirus cases continue to climb globally, analysts said higher vaccination rates would limit the need for the harsh lockdowns that gutted demand during the peak of the pandemic last year. Money managers raised their net long U.S. crude futures and options positions in the week to July 27, the U.S. Commodity Futures Trading Commission (CFTC) said. Technically market is under long liquidation as market has witnessed drop in open interest by -3.91% to settled at 5261 while prices down -60 rupees, now Crude oil is getting support at 5138 and below same could see a test of 5039 levels, and resistance is now likely to be seen at 5343, a move above could see prices testing 5449.

#### Trading Idea for the day

- Crude oil trading range for the day is 5039-5449.
- Crude oil prices dropped as investors continue to worry over the impact of the spread of the coronavirus delta variant especially in the US and China.
- OPEC July output rises 610,000 bpd from June
- Compliance with OPEC+ cut pledges slips to 115%

### MCX NATURALGAS

#### Technical Chart



Open	High	Low	Close	Net Cng
296.10	301.10	291.20	300.00	4.50
OI	% OI	Volume	Trend	% Cng
14681.00	35.78	196823.00	Positive	1.52

#### Fundamentals

Nat.Gas yesterday settled up by 1.52% at 300 as forecasts continued to signal hotter weather over the coming weeks than previously expected, which tends to increase gas demand for cooling. Data provider Refinitiv projected U.S. demand, including exports, will rise from an average of 91.2 bcf this week to 95.2 bcf next week. But that is still slightly below last week's 95.7 bcf. Flynn also expects U.S. LNG exports to stay "exceedingly" strong and U.S. supply to remain weak, leading to a tight market this year, which should support prices. The amount of gas flowing to U.S. LNG export plants averaged 10.8 bcf in July, up from 10.1 bcf in June but still below April's 11.5-bcf record. Refinitiv said average U.S. production would remain unchanged at 92.2 billion cubic feet per day next week from this week. That is still well below November's all-time monthly high of 95.4 bcf. 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. U.S. natural gas prices in 2021 at the Henry Hub benchmark in Louisiana will likely rise to their highest since 2018 as governments ease lockdowns and demand rises faster than producers can restore output shut during the 2020 coronavirus-linked price drop. Technically market is under fresh buying as market has witnessed gain in open interest by 35.78% to settled at 14681 while prices up 4.5 rupees, now Natural gas is getting support at 293.7 and below same could see a test of 287.5 levels, and resistance is now likely to be seen at 303.6, a move above could see prices testing 307.3.

#### Trading Idea for the day

- Natural gas trading range for the day is 287.5-307.3.
- Natural gas gained as forecasts continued to signal hotter weather over the coming weeks than previously expected.
- EIA forecast utilities added 36 billion cubic feet (bcf) of gas into storage during the week ended July 23.
- U.S. natural gas prices in 2021 at the Henry Hub benchmark in Louisiana will likely rise to their highest since 2018



### MCX COPPER

#### Technical Chart



Open	High	Low	Close	Net Cng
743.30	744.80	730.30	736.65	-5.10
OI	% OI	Volume	Trend	% Cng
4618.00	0.07	15633.00	Negative	-0.69

#### Fundamentals

Copper yesterday settled down by -0.69% at 736.65 as a surge of the Delta coronavirus variant across the world raised doubts of a sustainable global economic recovery. A dampened global growth outlook would reduce demand for industrial metals that are used across a wide range of sectors including manufacturing, construction and transportation. Meanwhile, U.S. manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages persisted, though there are signs of some easing in supply-chain bottlenecks. Peruvian residents who have been blocking a road used by the Chinese-owned Las Bambas copper mine for the past week suspended their action after the country's prime minister promised to resolve the conflict between them and the company. Yangshan copper premium rose to its highest since April 7 of \$52 a tonne, indicating rising demand for importing the metal into China, as copper stockpiles in China's bonded warehouses have been dropping for three weeks straight. Workers at Chile's Andina copper mine operated by state-owned Codelco turned down the firm's offer for a new collective contract, paving the way for a potential strike at the facility. Technically market is under fresh selling as market has witnessed gain in open interest by 0.07% to settled at 4618 while prices down -5.1 rupees, now Copper is getting support at 729.8 and below same could see a test of 722.8 levels, and resistance is now likely to be seen at 744.3, a move above could see prices testing 751.8.

#### Trading Idea for the day

Copper trading range for the day is 722.8-751.8.

Copper declined as a surge of the Delta coronavirus variant across the world raised doubts of a sustainable global economic recovery

Yangshan copper premium rose to its highest since April 7 of \$52 a tonne, indicating rising demand for importing the metal into China

Workers at Codelco's Andina copper mine turn down contract offer, gird for strike

### MCX ZINC

#### Technical Chart



Open	High	Low	Close	Net Cng
247.10	247.25	243.80	245.15	-2.80
OI	% OI	Volume	Trend	% Cng
1511.00	-31.07	6203.00	Negative	-1.13

#### Fundamentals

Zinc yesterday settled down by -1.13% at 245.15 as the previous released government reserves started to influence the prices, and COVID kept spreading. Fed governor said that the policymakers would announce a plan to cut back the Fed's asset-purchase program in September, if the next jobs reports continue on-trend, and were already taking extra measures to constrain debt ceiling. Hawkish sentiment emerged. The market was concerned that the Delta mutant may bring more confirmed cases. From the fundamentals, power restriction may become normal, and the supply side will be influenced anyway, thus underpin the zinc prices. LME cash zinc has moved to a premium of \$1.50 over the three month contract, the first time in over a year it has been more expensive, indicating tighter supply conditions. Data showed that social inventories of zinc ingots across seven major markets increased 5400 mt from last Friday July 30 or 5,700 mt from last Monday July 26 to 121400 mt. Shanghai inventories increased due to added arrivals and decreased purchasing demand after downstream companies taking in the first release of government reserves. Inventories increase in Guangdong was more obvious as a result of added arrivals and depressed demand. Technically market is under long liquidation as market has witnessed drop in open interest by -31.07% to settled at 1511 while prices down -2.8 rupees, now Zinc is getting support at 243.6 and below same could see a test of 242 levels, and resistance is now likely to be seen at 247, a move above could see prices testing 248.8.

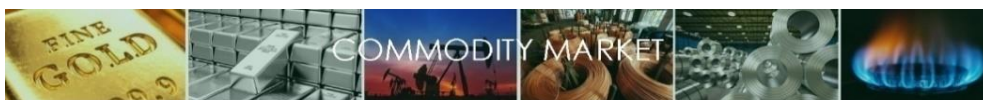
#### Trading Idea for the day

Zinc trading range for the day is 242-248.8.

Zinc prices dropped as the previous released government reserves started to influence the prices, and COVID kept spreading.

From the fundamentals, power restriction may become normal, and the supply side will be influenced anyway, thus underpin the zinc prices.

Fed governor said that the policymakers would announce a plan to cut back the Fed's asset-purchase program in September



## Daily Commodity Analysis Report

Wednesday, August 4, 2021



**SMIFS**  
**LIMITED**  
LEGACY | TRUST | GROWTH

## MCX NICKEL

## Technical Chart



Open	High	Low	Close	Net Cng
743.30	744.80	730.30	736.65	-5.10

OI	% OI	Volume	Trend	% Cng
4618.00	0.07	15633.00	Negative	-0.69

## Fundamentals

Nickel yesterday settled down by -0.57% at 1469.9 as data signaled a slower growth in the manufacturing industry of China and US, pressuring the market amid worsened pandemic. New orders for U.S.-made goods increased more than expected in June, while business spending on equipment was solid, pointing to sustained strength in manufacturing even as spending is shifting away from goods to services. The Commerce Department said that factory orders rose 1.5% in June after advancing 2.3% in May. Orders soared 18.4% on a year-on-year basis. Demand pivoted towards goods during the COVID-19 pandemic as millions of Americans were cooped up at home, boosting manufacturing, which accounts for 11.9% of the U.S. economy. China's July manufacturing PMI decreased from 50.9 in June to 50.4, lower than expectation. NBS explained that the broad maintenance and extreme weathers like high temperature and flood has hampered industry products market amid weakened expansion. German retail sales increased much more than expected in June following an easing of COVID-19 restrictions, supporting hopes for a consumer-driven recovery in Europe's largest economy over the summer months. U.S. manufacturing continued to grow in July, though the pace slowed for the second straight month as spending rotates back to services from goods and shortages of raw materials persist. Technically market is under long liquidation as market has witnessed drop in open interest by -8.68% to settled at 1819 while prices down -8.5 rupees, now Nickel is getting support at 1456.2 and below same could see a test of 1442.4 levels, and resistance is now likely to be seen at 1480.4, a move above could see prices testing 1490.8.

### Trading Idea for the day

Nickel trading range for the day is 1442.4-1490.8.

Nickel prices dropped as data signaled a slower growth in the manufacturing industry of China and US, pressuring the market amid worsened pandemic.

## New orders for U.S.-made goods increased more than expected in June

China's July manufacturing PMI decreased from 50.9 in June to 50.4, lower than expectation.

## MCX ALUMINIUM

## Technical Chart



Open	High	Low	Close	Net Cng
247.10	247.25	243.80	245.15	-2.80

OI	% OI	Volume	Trend	% Cng
1511.00	-31.07	6203.00	Negative	-1.13

## Fundamentals

Aluminium yesterday settled down by  $-0.67\%$  at 206.55 on profit booking as the market was concerned that the Delta mutant may bring more confirmed cases. From the fundamentals, aluminium supply was still disrupted. The production restriction in south-east China and the Inner Mongolia became stricter, and demand was not weaker than expected. While transportation in Henan will still be disrupted in the short term, sustaining de-stocking of social inventories, offering support to aluminium prices. The repeated COVID in China may bring potential risks to the whole industry chain in terms of raw materials, transportation and production. From the macro front, president of Federal Reserve Bank of Minneapolis warned that the Delta mutant might hinder the recovery of US labour market. While the president of Federal Reserve Bank of St. Louis advised that the Fed shall shrink asset purchasing from autumn to March, 2022 as inflation was higher than expected. In China, July manufacturing PMI decreased from 50.9 in June to 50.4, lower than economists' expectation. NBS explained that the broad maintenance and extreme weathers like high temperature and flood has hampered industry products market amid weakened expansion. Last week's Fed meeting settled to maintain the interest rate unchanged, and Fed chairman Powell also stated that it was not time to tighten the monetary policy. Technically market is under long liquidation as market has witnessed drop in open interest by  $-18.11\%$  to settled at 2645 while prices down  $-1.4$  rupees, now Aluminium is getting support at 205.9 and below same could see a test of 205.1 levels, and resistance is now likely to be seen at 207.5, a move above could see prices testing 208.3.

### Trading Idea for the day

Aluminium trading range for the day is 205.1-208.3.

Aluminium prices dropped on profit booking as the market was concerned that the Delta mutant may bring more confirmed cases.

From the fundamentals, aluminium supply was still disrupted.

The production restriction in south-east China and the Inner Mongolia became stricter, and demand was not weaker than expected.



## Disclaimer

### Analyst Certification:

We /I, Jaydeb Dey Research Analyst(s) of SMIFS Limited (in short "SMIFS / the Company"), authors and the names subscribed to this Research Report, hereby certify that all of the views expressed in this Research Report accurately reflect our views about the subject issuer(s) or securities and distributed as per SEBI (Research Analysts) Regulations 2014. 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 Research Report. It is also confirmed that We/I, the above mentioned Research Analyst(s) of this Research Report have not received any compensation from the subject companies mentioned in the Research Report in the preceding twelve months and do not serve as an officer, director or employee of the subject companies mentioned in the Research Report.

### Terms & Conditions and Other Disclosures:

SMIFS Limited is engaged in the business of Stock Broking, Depository Services, Portfolio Management and Distribution of Financial Products. SMIFS Limited is registered as Research Analyst Entity with Securities & Exchange Board of India (SEBI) with Registration Number – INH300001474.

SMIFS and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Research Analysts. SMIFS generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

The information and opinions in this Research Report have been prepared by SMIFS and are subject to change without any notice. The Research 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 SMIFS Limited. While we would endeavor to update the information herein on a reasonable basis, SMIFS is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent SMIFS 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 policies of SMIFS, in circumstances where SMIFS might be acting in an advisory capacity to this company, or in certain other circumstances.

This Research 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 Research 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. Securities as defined in clause (h) of section 2 of the Securities Contract Act, 1956, includes Financial Instruments, Currency and Commodity Derivatives. Though disseminated to all the customers simultaneously, not all customers may receive this Research Report at the same time. SMIFS will not treat recipients as customers by virtue of their receiving this Research Report. Nothing in this Research 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 Research 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. SMIFS accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this Research 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. The information given in this report is as of date of this report and there can be no assurance that future results or events will be consistent with this information. The information provided in this report remains, unless otherwise stated, the copyright of SMIFS. All layout, design, original artwork, concepts and intellectual Properties remains the property and copyright of SMIFS and may not be used in any form or for any purpose whatsoever by any party without the express written permission of the SMIFS.

SMIFS shall not be liable for any delay or any other interruption which may occur in presenting the data due to any reason including network (Internet) reasons or snags in the system, breakdown of the system or any other equipment, server breakdown, maintenance shutdown, breakdown of communication services or inability of SMIFS to present the data. In no event shall SMIFS be liable for any damages, including without limitation direct or indirect, special, incidental, or consequential damages, losses or expenses arising in connection with the data presented by the SMIFS through this report.

Participants in foreign exchange transactions may incur risks arising from several factors, including the following: (a) Exchange Rates can be volatile and are subject to large fluctuations; (b) the value of currencies may be affected by numerous market factors, including world and notional economic, political and regulatory events, events in Equity & Debt Markets and changes in interest rates; and (c) Currencies may be subject to devaluation or government imposed Exchange Controls which could affect the value of the Currency. Investors in securities such as Currency Derivatives, whose values are affected by the currency of an underlying security, effectively assume currency risk.

Since associates of SMIFS 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 Research Report.





## Disclaimer

SMIFS and its Associates, Officers, Directors, Employees, Research Analysts including their relatives worldwide may: (i) from time to time have long or short positions in, and buy or sell the Securities, mentioned herein or (ii) be engaged in any other transaction involving such Securities and earn brokerage or other compensation or act as a market maker in the Financial Instruments of the Subject Company/ companies mentioned herein or act as an Advisor or Lender/Borrower to such Companies or have other potential/material Conflict of Interest with respect to any recommendation and related information and opinions at the time of the publication of the Research Report. Or at the time of Public Appearance. SMIFS does not have proprietary trades but may at a future date, may opt for the same with prior intimation to Clients/ Investors and extant Authorities where it may have proprietary long/short position in the above Scrip(s) and therefore should be considered as interested. The views provided herein are general in nature and do not consider Risk Appetite or Investment Objective of any particular Investor; Clients/ Readers/ Subscribers of this Research Report are requested to take independent professional advice before investing. The information provided herein should not be construed as invitation or solicitation to do business with SMIFS.

SMIFS 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 Research Report as of the last day of the month preceding the publication of the Research Report.

SMIFS encourages independence in Research Report preparation and strives to minimize conflict in preparation of Research Report. Accordingly, neither SMIFS and their Associates nor the Research Analysts and their relatives have any material conflict of interest at the time of publication of this Research Report or at the time of the Public Appearance, if any.

SMIFS 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.

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

SMIFS or its associates might have received any compensation for products or services other than investment banking or brokerage services from the subject companies mentioned in the Research Report in the past twelve months.

SMIFS or its associates or its Research Analysts did not receive any compensation or other benefits whatsoever from the subject companies mentioned in the Research Report or third party in connection with preparation of the Research Report.

Compensation of Research Analysts is not based on any specific Investment Banking or Brokerage Service Transactions.

The Research Analysts might have served as an officer, director or employee of the subject company.

Neither the Research Analysts nor SMIFS have been engaged in market making activity for the companies mentioned in the Research Report.

SMIFS may have issued other Research Reports that are inconsistent with and reach different conclusion from the information presented in this Research Report.

A graph of daily closing prices of the securities/commodities is also available at [www.nseindia.com](http://www.nseindia.com) and/or [www.bseindia.com](http://www.bseindia.com), [www.mcxindia.com](http://www.mcxindia.com) and/or [www.icex.com](http://www.icex.com).

SMIFS submit' s that no material disciplinary action has been taken on the Company by any Regulatory Authority impacting Equity Research Analysis activities in last 3 years.

This Research 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 SMIFS 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.

For queries related to compliance of the report, please contact: -

Sudipto Datta, Compliance Officer



## SMIFS Limited

5F, Vaibhav, 4 Lee Road, Kolkata – 700020, India

Contact No.: +91 33 4011 5414 /91 33 6634 5414

Email Id.: [compliance@smifs.com](mailto:compliance@smifs.com) / [sudipto@smifs.com](mailto:sudipto@smifs.com)

Website: [www.smifs.com](http://www.smifs.com)