

# Daily Commodity Analysis Report

Wednesday, August 11, 2021  
Wednesday



## MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA
Gold	1 Kg	45962.00	0.17	-2.92	-2.24	-7.00	-19.74	SELL	SELL	SELL
Silver	30 Kg	62636.00	0.00	-4.38	-6.94	-4.56	-17.00	SELL	SELL	SELL
\$Gold	100 Tr. Oz	1731.65	0.18	-2.92	-1.93	-7.13	-17.05	SELL	SELL	SELL
\$ Silver	5000 Tr. Oz	23.305	-0.11	-4.71	-7.53	-7.69	-18.78	SELL	SELL	SELL
Crude	100 BBL	5112.00	3.19	-8.26	-7.87	44.61	38.15	SELL	BUY	BUY
Nat.Gas	1250 mmBtu	303.90	0.96	6.42	11.87	70.18	47.24	BUY	BUY	BUY
\$ Crude	1,000 Barrels	68.29	2.72	-8.32	-8.18	40.55	38.25	SELL	BUY	BUY
\$ Nat. Gas	10000 mmBtu	4.09	0.71	6.42	11.87	70.18	47.24	BUY	BUY	BUY
Aluminium	5MT	207.15	1.05	-0.44	2.99	45.73	28.64	BUY	BUY	BUY
Copper	2500Kg	734.20	1.16	-2.62	1.69	23.17	29.56	BUY	BUY	BUY
Lead	5MT	179.65	1.35	-0.54	-1.45	13.96	12.28	BUY	BUY	BUY
Nickel	1500Kg	1443.90	1.43	-1.71	7.24	20.38	24.49	BUY	BUY	BUY
Zinc	5MT	248.55	1.47	-0.45	3.64	34.74	22.59	BUY	BUY	BUY
LME Alum	25 Tonnes	2585.00	-0.04	-0.54	3.00	30.45	31.18	BUY	BUY	BUY
LME Copp	25,000 Lbs.	9491.50	-0.22	-2.58	1.69	22.14	31.51	SELL	SELL	BUY
LME Lead	5 Tonnes	2290.00	-0.28	-4.27	-0.48	14.76	14.37	SELL	SELL	BUY
LME Nickel	250 Kg	18760.00	-0.66	-1.87	6.19	15.93	24.75	BUY	BUY	BUY
LME Zinc	5 Tonnes	2992.00	-0.27	-1.37	2.09	8.79	19.61	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

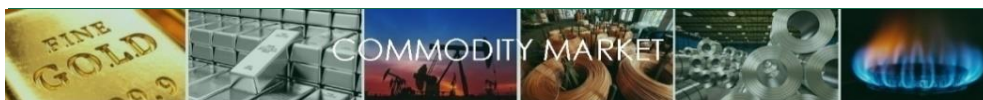
\* Domestic Rates are as per closing basis and International rates are as per 8.30am

**SMIFS Limited**

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

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### Currency Snapshot

Currency	Last	% Cng	
USDINR	74.51	0.11	▲
EURINR	87.43	-0.19	▼
GBPINR	103.27	-0.05	▼
JPYINR	67.48	-0.23	▼
EURUSD	1.1724	0.05	▲
GBPUSD	1.3830	-0.02	▼
USDJPY	110.62	0.06	▲
Dollar Index	93.06	0.00	▲

### Indices Snapshot

Indices	Last	Change	
NIFTY	16280.10	0.13	▲
SENSEX	54554.66	0.28	▲
HANGSENG	26605.62	1.23	▲
NIKKEI	27888.15	0.24	▲
STRAITS	3207.36	0.95	▲
CAC 40	6819.37	0.09	▲
DAX	15770.51	0.16	▲
DJIA	35101.85	-0.30	▼
NASDAQ	14860.18	0.16	▲
JAKARTA	6088.41	-0.64	▼
KOSPI	3243.19	-0.53	▼

### LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1339100	-6750
LME Copper	236100	1175
LME Lead	58325	-175
LME Nickel	205632	-2004
LME Zinc	248250	-250

### Economical Data

Time	Currency	Data	Fcst	Prev
11:30am	EUR	German Final CPI m/m	0.009	0.009
Tentative	EUR	German 10-y Bond Auction		-0.30   1.4
6:00pm	USD	CPI m/m	0.005	0.009
6:00pm	USD	Core CPI m/m	0.004	0.009
8:00pm	USD	Crude Oil Inventories	-0.8M	3.6M
8:00pm	USD	FOMC Member Bostic Speaks		
10:31pm	USD	10-y Bond Auction		1.37   2.4
11:30pm	USD	Federal Budget Balance	-268.0B	-174.2B

### Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	45962.00	13805	0.97	Fresh Buying
Silver	62636.00	12049	-0.35	Long Liquidation
Crude	5112.00	5516	-15.35	Short Covering
Nat.Gas	303.90	11510	0.57	Fresh Buying
Aluminium	207.15	2027	9.75	Fresh Buying
Copper	734.20	3960	-7.93	Short Covering
Lead	179.65	752	2.59	Fresh Buying
Nickel	1443.90	1436	-4.77	Short Covering
Zinc	248.55	1629	11.19	Fresh Buying

### Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	45962.00	46118.00	156.00	162.00	-6.00
Silver	62636.00	63438.00	802.00	819.00	-17.00
Crude	5112.00	5113.00	1.00	5.00	-4.00
Nat.Gas	303.90	305.50	1.60	1.80	-0.20
Aluminium	207.15	206.05	-1.10	-1.00	-0.10
Copper	734.20	737.00	2.80	2.80	0.00
Lead	179.65	179.30	-0.35	0.65	-1.00
Nickel	1443.90	1439.60	-4.30	-1.50	-2.80
Zinc	248.55	245.65	-2.90	-3.25	0.35

### Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	73.38	100.90	65.55	76.56
Gold / Crude Ratio	8.99	19.58	8.37	13.37
Gold / Copper Ratio	62.60	112.33	59.19	82.95
Silver / Crude Ratio	12.25	25.03	12.33	17.32
Silver / Copper Ratio	85.31	147.81	85.79	107.76
Zinc / Lead Ratio	138.35	141.74	111.81	131.07
Crude / Nat.Gas Ratio	16.82	25.87	10.60	19.76

#### Commodity Market Daily Trading Levels

Commodity	Close	Support 3	Support 2	Support 1	Pivot Point	Resist 1	Resist 2	Resist 3	Trend
Gold	45962.00	45262.00	45462.00	45712.00	45912.00	46162.00	46362.00	46612.00	Positive
Silver	62636.00	61078.00	61631.00	62133.00	62686.00	63188.00	63741.00	64243.00	Range
\$ Gold	1728.56	1715.90	1719.40	1725.50	1729.00	1735.10	1738.60	1744.70	Positive
\$ Silver	23.32	23.00	23.10	23.20	23.30	23.40	23.50	23.60	Range
Crude oil	5112.00	4856.00	4918.00	5015.00	5077.00	5174.00	5236.00	5333.00	Positive
Natural Gas	303.90	291.20	295.20	299.60	303.60	308.00	312.00	316.40	Positive
\$ Crude oil	68.29	65.80	66.52	67.40	68.12	69.00	69.72	70.60	Positive
\$ Natural Gas	4.0890	3.9180	3.9670	4.0280	4.0770	4.1380	4.1870	4.2480	Positive
Aluminium	207.15	203.40	204.30	205.70	206.60	208.00	208.90	210.30	Positive
Copper	734.20	715.20	720.20	727.20	732.20	739.20	744.20	751.20	Positive
Lead	179.65	173.30	175.20	177.50	179.40	181.70	183.60	185.90	Positive
Nickel	1443.90	1408.70	1418.00	1430.90	1440.20	1453.10	1462.40	1475.30	Positive
Zinc	248.55	242.90	244.30	246.50	247.90	250.10	251.50	253.70	Positive
LME Aluminium	2586.00	2520.50	2536.00	2561.00	2576.50	2601.50	2617.00	2642.00	Positive
LME Copper	9512.50	9206.33	9284.17	9398.33	9476.17	9590.33	9668.17	9782.33	Positive
LME Lead	2296.50	2231.00	2246.50	2271.50	2287.00	2312.00	2327.50	2352.50	Positive
LME Nickel	18885.00	18285.00	18445.00	18665.00	18825.00	19045.00	19205.00	19425.00	Positive
LME Zinc	3000.00	2911.50	2932.00	2966.00	2986.50	3020.50	3041.00	3075.00	Positive

#### Latest News Update

Two Federal Reserve officials said that the U.S. economy is growing rapidly and that while the labor market still has room for improvement, inflation is already at a level that could satisfy one leg of a key test for the beginning of rate hikes. Atlanta Federal Reserve Bank President Raphael Bostic said he is eyeing the fourth quarter for the start of a bond-purchase taper but is open to an even earlier start if the job market keeps up its recent torrid pace of improvement. Moreover, he and Richmond Fed President Tom Barkin both said they believe inflation has already achieved the Fed's 2% threshold, according to their separate assessments. That is one of two requirements to be met before rate hikes can be considered. Their remarks are a sign that as Fed officials hold discussions about how and when to taper their asset purchases, they are also getting more detailed in their debate about what it will take to satisfy the Fed's inflation target under the new framework.

Japan's bank lending rose in July at the slowest annual pace in nearly nine years, data showed, as sign companies were emerging steadily from a cash crunch last year caused by the coronavirus pandemic. But the slowdown in lending also reflected sluggish consumption as households hoarded cash instead of spending, underscoring the fragile nature of Japan's economic recovery. Total bank lending rose 1.0% in July from a year earlier, Bank of Japan data showed, slowing from a 1.4% gain in June and marking the lowest year-on-year increase since November 2012. Bank lending surged last year when companies were in need of immediate cash to ease the impact of the coronavirus pandemic on business. The average balance of bank deposits rose 5.7% in July from a year earlier at 831 trillion yen (\$7.53 trillion), far exceeding the 578 trillion yen for that of bank lending, the data showed. Major banks saw lending fall 1.4% in July from a year earlier after a 1.6% drop in June, largely in reaction to last year's surge in fund demand to deal with the pandemic's shock.

### MCX GOLD

#### Technical Chart



Open	High	Low	Close	Net Cng
46000.00	46112.00	45662.00	45962.00	76.00
OI	% OI	Volume	Trend	% Cng
13805.00	0.97	6321.00	Positive	0.17

#### Fundamentals

Gold yesterday settled up by 0.17% at 45962 as prices steadied as traders wait for the reading on U.S. consumer price inflation for directional cues. Support also seen amid lingering concerns over the spread of the Delta variant of the coronavirus and the possibility of an early tapering of the bond buying program by the U.S. Federal Reserve. Two Federal Reserve officials said that the U.S. economy is growing rapidly and that while the labor market still has room for improvement, inflation is already at a level that could satisfy one leg of a key test for the beginning of rate hikes. Atlanta Federal Reserve Bank President Raphael Bostic said he is eyeing the fourth quarter for the start of a bond-purchase taper but is open to an even earlier start if the job market keeps up its recent torrid pace of improvement. Moreover, he and Richmond Fed President Tom Barkin both said they believe inflation has already achieved the Fed's 2% threshold, according to their separate assessments. Their remarks are a sign that as Fed officials hold discussions about how and when to taper their asset purchases, they are also getting more detailed in their debate about what it will take to satisfy the Fed's inflation target under the new framework. Technically market is under fresh buying as market has witnessed gain in open interest by 0.97% to settled at 13805 while prices up 76 rupees, now Gold is getting support at 45712 and below same could see a test of 45462 levels, and resistance is now likely to be seen at 46162, a move above could see prices testing 46362.

#### Trading Idea for the day

Gold trading range for the day is 45462-46362.

Gold prices steadied as traders wait for the reading on U.S. consumer price inflation for directional cues.

Fed officials say tapering is near, advancing discussion on rate hike

Support also seen amid lingering concerns over the spread of the Delta variant of the coronavirus

### MCX SILVER

#### Technical Chart



Open	High	Low	Close	Net Cng
63093.00	63239.00	62184.00	62636.00	-1.00
OI	% OI	Volume	Trend	% Cng
12049.00	-0.35	12187.00	Range	0.00

#### Fundamentals

Silver yesterday settled unchanged at 62636 on lingering concerns that a booming economy will prompt a sooner-than-expected tapering by the Federal Reserve. Investors look ahead to inflation data out of the US for clues about the path of crisis-era stimulus. Still, concerns over the threats posed by the rapid spread of the Covid-19 delta variant on business activity boosted metals safe-haven appeal. A \$1 trillion infrastructure package that is a top priority for U.S. President Joe Biden secured enough votes to pass in the Senate, a bipartisan victory for the White House as it aims to provide the nation's biggest investment in decades in roads, bridges, airports and waterways. Voting was continuing in the 100-seat chamber after the measure secured the 50 votes needed for passage. Polls show that the drive to upgrade America's infrastructure, hammered out by a bipartisan group of senators over months of negotiations, is broadly popular with the public. U.S. worker productivity growth slowed in the second quarter and labor costs were far weaker than previously estimated in the first quarter, the Labor Department said. Nonfarm productivity, which measures hourly output per worker, increased at a 2.3% annualized rate last quarter. Technically market is under long liquidation as market has witnessed drop in open interest by -0.35% to settled at 12049 while prices remain unchanged - 1 rupees, now Silver is getting support at 62133 and below same could see a test of 61631 levels, and resistance is now likely to be seen at 63188, a move above could see prices testing 63741.

#### Trading Idea for the day

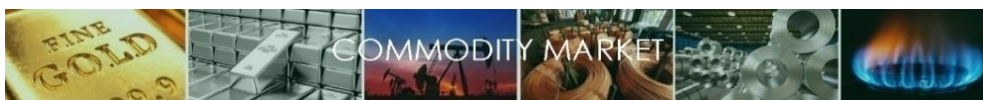
Silver trading range for the day is 61631-63741.

Silver remained in range on lingering concerns that a booming economy will prompt a sooner-than-expected tapering by Fed.

Investors look ahead to inflation data out of the US for clues about the path of crisis-era stimulus.

Still, concerns over the threats posed by the rapid spread of the Covid-19 delta variant on business activity boosted metals safe-haven appeal.





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### MCX CRUDEOIL

#### Technical Chart



Open	High	Low	Close	Net Cng
4985.00	5139.00	4980.00	5112.00	158.00
OI	% OI	Volume	Trend	% Cng
5516.00	-15.35	63920.00	Positive	3.19

#### Fundamentals

Crude oil yesterday settled up by 3.19% at 5112 after data showed fuel demand in India rose in July to its highest since April, raising optimism the pandemic setback will not last for long. Fuel consumption, a proxy for oil demand, totaled 16.83 million tons, up 2.9 percent from June and 7.9 percent from the same period a year ago as most restrictions were eased, data on the website of the Petroleum Planning and Analysis Cell (PPAC) showed. Hopes for a rise of demand in Europe and the United States as well as progress towards passing a bipartisan infrastructure bill in the U.S. also outweighed concerns over new pandemic curbs in China. Iraq plans to increase oil production to eight million barrels per day (BPD) by the end of 2027, Iraqi Oil Minister Ihsan Abdul Jabbar told the Iraqi news agency (INA). The oil ministry's spokesman, Assem Jihad, also told INA that oil-producing countries reconsidered their plans because of the challenges facing the oil market. "The increases have become calculated according to the variables and developments of the oil market, and that it is not possible to predict what the oil market will be like," Jihad said. Technically market is under short covering as market has witnessed drop in open interest by -15.35% to settled at 5516 while prices up 158 rupees, now Crude oil is getting support at 5015 and below same could see a test of 4918 levels, and resistance is now likely to be seen at 5174, a move above could see prices testing 5236.

#### Trading Idea for the day

Crude oil trading range for the day is 4918-5236.

Crude oil rose after data showed fuel demand in India rose in July to its highest since April, raising optimism the pandemic setback will not last for long.

Fuel consumption, totaled 16.83 million tons, up 2.9 percent from June and 7.9 percent from the same period a year ago

Hopes for a rise of demand in Europe and US as well as progress towards passing a bipartisan infrastructure bill in the U.S. also supported.

### MCX NATURALGAS

#### Technical Chart



Open	High	Low	Close	Net Cng
301.20	307.60	299.20	303.90	2.90
OI	% OI	Volume	Trend	% Cng
11510.00	0.57	145413.00	Positive	0.96

#### Fundamentals

Nat.Gas yesterday settled up by 0.96% at 303.9 supported by the bullish impact of near record power demand in Texas and all-time high gas prices in Europe. Last week, gas speculators cut their net long futures and options positions on the New York Mercantile and Intercontinental Exchanges for a fourth week in a row for the first time since April as some buyers cashed in their gains after the front-month soared to a 31-month high. The U.S. Energy Information Administration (EIA) said utilities added 13 billion cubic feet (bcf) of gas into storage during the week ended July 30. Last week's injection boosted stockpiles to 2.727 trillion cubic feet (tcf), or 6.4% below the five-year average of 2.912 tcf for this time of year. Data provider Refinitiv said gas output in the U.S. Lower 48 states rose to 91.7 billion cubic feet per day (bcfd) so far in August from 91.6 bcfd in July. That was still well below the all-time high of 95.4 bcfd in November 2019. Refinitiv projected average gas demand, including exports, would rise from 90.9 bcfd this week to 94.3 bcfd next week as power generators burn more fuel to meet rising air conditioning use. Technically market is under fresh buying as market has witnessed gain in open interest by 0.57% to settled at 11510 while prices up 2.9 rupees, now Natural gas is getting support at 299.6 and below same could see a test of 295.2 levels, and resistance is now likely to be seen at 308, a move above could see prices testing 312.

#### Trading Idea for the day

Natural gas trading range for the day is 295.2-312.

Natural gas rose supported by the bullish impact of near record power demand in Texas and all-time high gas prices in Europe.

Last week, gas speculators cut their net long futures and options positions for a fourth week in a row for the first time since April

The U.S. EIA said utilities added 13 billion cubic feet (bcf) of gas into storage during the week ended July 30.

### MCX COPPER

#### Technical Chart



Open	High	Low	Close	Net Cng
729.00	737.25	725.20	734.20	8.40
OI	% OI	Volume	Trend	% Cng
3960.00	-7.93	12231.00	Positive	1.16

#### Fundamentals

Copper yesterday settled up by 1.16% at 734.2 on worries of supply disruptions at Chile's Escondida, the world's biggest copper mine, as mediation talks in hopes of preventing a strike were extended. BHP Group Ltd and the union of workers at its Escondida copper mine in Chile said they would extend government mediated contract talks an additional day in a last-ditch effort to stave off a strike. Yangshan copper premium rose to \$60 a tonne, its highest since March 26, indicating improved demand for importing the metal into top consumer China. China's copper imports in July fell 1.0% from June, declining for a fourth straight month, customs data showed, as high prices, the release of state reserves and increased scrap metal inflows kept buying interest at bay. Imports of unwrought copper and copper products into China, the world's biggest copper consumer, were 424,280.3 tonnes last month, the General Administration of Customs said. That was down from 428,437.5 tonnes in June and well below the record high of 762,211 tonnes in July 2020. Activity in China's copper-intensive manufacturing and construction sectors expanded at a slower pace in July amid high raw material costs and extreme weather. Technically market is under short covering as market has witnessed drop in open interest by -7.93% to settled at 3960 while prices up 8.4 rupees, now Copper is getting support at 727.2 and below same could see a test of 720.2 levels, and resistance is now likely to be seen at 739.2, a move above could see prices testing 744.2.

#### Trading Idea for the day

Copper trading range for the day is 720.2-744.2.  
 Copper prices rose on worries of supply disruptions at Chile's Escondida, as mediation talks in hopes of preventing a strike were extended.  
 Yangshan copper premium rose to \$60 a tonne, its highest since March 26, indicating improved demand for importing the metal into top consumer China.  
 China's copper imports in July fell 1.0% from June, declining for a fourth straight month, customs data showed

### MCX ZINC

#### Technical Chart



Open	High	Low	Close	Net Cng
246.15	249.30	245.75	248.55	3.60
OI	% OI	Volume	Trend	% Cng
1629.00	11.19	4097.00	Positive	1.47

#### Fundamentals

Zinc yesterday settled up by 1.47% at 248.55 as power curtailment has been influencing supply from mines with intensified policies in Hunan and Guangxi. The pandemic has also resulted in a delayed transportation and increased delivery costs, lifting operation costs among downstream businesses. Clues to demand prospects for industrial metals will come from Chinese data over the next few days, including total social financing, loans, industrial production and investment. China's output of zinc in July rose more slowly than expected from the prior month due to restrictions on power use in key production hubs. Refined zinc and zinc alloy production from 51 smelters surveyed was 461,000 tonnes last month; that was up 9,700 tonnes from June and up 7.1% year-on-year, although average daily output fell 1.1% on the month. Ongoing curbs on power consumption by smelters in Yunnan, which only boosted output by 12,000 tonnes month-on-month, as well as new measures in Guangxi and maintenance elsewhere kept supply levels down. With some power restrictions continuing in August, this month's zinc output is seen decreasing by 13,000 tonnes to 448,000 tonnes. The Federal Reserve shall set about tapering QE and accelerating paring back on bond purchase should the next two month's job report were strong enough. Technically market is under fresh buying as market has witnessed gain in open interest by 11.19% to settled at 1629 while prices up 3.6 rupees, now Zinc is getting support at 246.5 and below same could see a test of 244.3 levels, and resistance is now likely to be seen at 250.1, a move above could see prices testing 251.5.

#### Trading Idea for the day

Zinc trading range for the day is 244.3-251.5.  
 Zinc prices gained as power curtailment has been influencing supply from mines with intensified policies in Hunan and Guangxi.  
 The pandemic has also resulted in a delayed transportation and increased delivery costs, lifting operation costs among downstream businesses.  
 Clues to demand prospects for industrial metals will come from Chinese data over the next few days.

#### MCX NICKEL

##### Technical Chart



Open	High	Low	Close	Net Cng
729.00	737.25	725.20	734.20	8.40
OI	% OI	Volume	Trend	% Cng
3960.00	-7.93	12231.00	Positive	1.16

##### Fundamentals

Nickel yesterday settled up by 1.43% at 1443.9 due to strong demand for nickel from stainless steel and new energy sector, tightened supply. Domestic nickel output stood at around 12,335 mt in July, down 13.48% or 1,922 mt month on month. Operating rates of smelters stood at 56%. Peak production in June in Gansu lifted the overall June benchmark, and returned to normal entering July, resulting in a reduction on a month-on-month basis. While slight reduction seen in Xinjiang was caused by seasonal adjustment. Domestic nickel output will stand at 12,400 mt in August amid stable production and completion of maintenance at smelters. On the macro front, Chair of Atlanta Fed suggested the Federal Reserve shall set about tapering QE and accelerating paring back on bond purchase should the next two month's job report were strong enough. In China, the clinical application of "booster dose" was recently approved, easing market worries over the pandemic. Domestic output of nickel pig iron (NPI) stood at 41,900 mt in July, up 7.63% month on month. For NPI at different grade, July output of high-grade NPI stood at 33,700 mt, up 4.9% month on month; while low-grade NPI stood at 8,300 mt, up 20.55%. Technically market is under short covering as market has witnessed drop in open interest by -4.77% to settled at 1436 while prices up 20.3 rupees, now Nickel is getting support at 1430.9 and below same could see a test of 1418 levels, and resistance is now likely to be seen at 1453.1, a move above could see prices testing 1462.4.

##### Trading Idea for the day

Nickel trading range for the day is 1418-1462.4.

Nickel rose due to strong demand for nickel from stainless steel and new energy sector, tightened supply.

Nickel output stood at around 12,335 mt in July, down 13.48% or 1,922 mt month on month

Output of nickel pig iron (NPI) stood at 41,900 mt in July, up 7.63% month on month.

#### MCX ALUMINIUM

##### Technical Chart



Open	High	Low	Close	Net Cng
246.15	249.30	245.75	248.55	3.60
OI	% OI	Volume	Trend	% Cng
1629.00	11.19	4097.00	Positive	1.47

##### Fundamentals

Aluminium yesterday settled up by 1.05% at 207.15 as social inventories kept de-stocking above expectation amid a weak supply & demand pattern, offering strong support to prices. New power consumption restrictions imposed by southern China's Guangxi region on aluminium producers at the weekend could temporarily shut down about half a million tonnes of annual smelting capacity. Data showed U.S. job openings jumped to a record high in June and hiring increased. That came on the heels of Friday's U.S. monthly jobs report that showed U.S. employers hired the most workers in nearly a year in July and continued to raise wages. China's central bank said it would keep prudent monetary policy flexible and appropriate while prioritising stability. In its second-quarter monetary policy implementation report, the People's Bank of China said it would keep liquidity reasonably ample and step up support for technology innovation, small firms and the manufacturing sector. China will promote the healthy development of capital markets and better protect the interests of investors, the central bank said. China produced 3.28 million mt of aluminium in July, up 5.06% on the year. The average daily output was 106,000 mt, down 1,500 mt from June. The output totalled 22.75 million from January to July, an increase of 7.65% on the year. Technically market is under fresh buying as market has witnessed gain in open interest by 9.75% to settled at 2027 while prices up 2.15 rupees, now Aluminium is getting support at 205.7 and below same could see a test of 204.3 levels, and resistance is now likely to be seen at 208, a move above could see prices testing 208.9.

##### Trading Idea for the day

Aluminium trading range for the day is 204.3-208.9.

Aluminium gained as social inventories kept de-stocking above expectation amid a weak supply & demand pattern, offering strong support to prices.

New power consumption restrictions could temporarily shut down about half a million tonnes of annual smelting capacity.

China's central bank to keep monetary policy flexible, appropriate



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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)

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