

# Daily Commodity Analysis Report

Wednesday, August 18, 2021  
Wednesday



## COMMODITY MARKET

### MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA	
Gold	1 Kg	47280.00	0.12	1.34	-1.30	-5.73	-11.96	SELL	SELL	SELL	
Silver	30 Kg	63226.00	-0.36	-2.77	-9.22	-7.13	-12.37	SELL	SELL	SELL	
\$Gold	100 Tr. Oz	1791.15	0.31	1.27	-1.24	-5.93	-9.41	SELL	SELL	SELL	
\$ Silver	5000 Tr. Oz	23.782	0.70	-2.73	-9.74	-10.14	-16.19	SELL	SELL	SELL	
Crude	100 BBL	4956.00	-1	-2.76	-13.11	40.72	36.30	SELL	SELL	BUY	
Nat.Gas	1250 mmBtu	285.40	-3.12	-8.43	3.71	56.95	43.21	BUY	BUY	BUY	
\$ Crude	1,000 Barrels	66.59	-1.04	-0.93	-11.62	39.25	37.52	SELL	SELL	BUY	
\$ Nat. Gas	10000 mmBtu	3.84	-2.76	-8.43	3.71	56.95	43.21	BUY	BUY	BUY	
Aluminium	5MT	207.45	-0.34	1.15	4.13	47.43	30.78	BUY	BUY	BUY	#
Copper	2500Kg	709.70	-2.29	-3.22	-2.28	19.33	29.04	SELL	SELL	BUY	#
Lead	5MT	179.05	-1.16	1.43	-0.20	15.61	14.12	BUY	BUY	BUY	#
Nickel	1500Kg	1461.00	-1.52	0.08	3.79	20.47	27.03	BUY	BUY	BUY	#
Zinc	5MT	248.60	-0.64	0.68	3.50	35.67	24.68	BUY	BUY	BUY	#
LME Alum	25 Tonnes	2603.50	1.07	0.00	1.76	30.45	31.74	BUY	BUY	BUY	#
LME Copp	25,000 Lbs.	9326.00	1.11	-2.66	-1.91	18.98	32.03	SELL	SELL	BUY	#
LME Lead	5 Tonnes	2303.50	0.46	0.87	-0.28	15.77	15.23	SELL	SELL	BUY	#
LME Nickel	250 Kg	19325.00	0.49	-0.03	2.50	15.90	26.92	BUY	BUY	BUY	#
LME Zinc	5 Tonnes	3023.00	0.67	0.43	2.21	9.26	21.26	BUY	BUY	BUY	#

Note:

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

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

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

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

\* 200DMA - If prices trading above 50DMA "BUY" 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 18, 2021



**SMIFS  
LIMITED**  
LEGACY | TRUST | GROWTH

### Currency Snapshot

Currency	Last	% Cng	
USDINR	74.44	0.09	▲
EURINR	87.65	0.22	▲
GBPINR	102.68	-0.01	▼
JPYINR	68.11	0.90	▲
EURUSD	1.1721	0.10	▲
GBPUSD	1.3759	0.12	▲
USDJPY	109.58	0.01	▲
Dollar Index	93.05	-0.09	▼

### Indices Snapshot

Indices	Last	Change	
NIFTY	16614.60	0.31	▲
SENSEX	55792.27	0.38	▲
HANGSENG	25745.87	-1.66	▼
NIKKEI	27424.47	-0.36	▼
STRAITS	3115.40	-0.96	▼
CAC 40	6801.39	-0.55	▼
DAX	15896.23	-0.19	▼
DJIA	35625.40	0.31	▲
NASDAQ	14793.76	-0.20	▼
JAKARTA	6087.91	-0.84	▼
KOSPI	3143.09	-0.89	▼

### LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1322150	9200
LME Copper	236325	775
LME Lead	57375	-325
LME Nickel	200382	-1830
LME Zinc	232100	-3700

### Economical Data

Time	Currency	Data	Fcst	Prev
2:30pm	EUR	Final CPI y/y	0.022	0.019
2:30pm	EUR	Final Core CPI y/y	0.007	0.007
Tentative	EUR	German 30-y Bond Auction		0.03 1.3
6:00pm	USD	Building Permits	1.61M	1.59M
6:00pm	USD	Housing Starts	1.60M	1.64M
18th-20th	USD	Mortgage Delinquencies		0.0638
8:00pm	USD	Crude Oil Inventories	-1.5M	-0.4M

### Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	47280.00	12096	-4.99	Short Covering
Silver	63226.00	9680	-0.88	Long Liquidation
Crude	4956.00	4237	-6.74	Long Liquidation
Nat.Gas	285.40	10852	8.16	Fresh Selling
Aluminium	207.45	1685	-2.94	Long Liquidation
Copper	709.70	5515	25.23	Fresh Selling
Lead	179.05	976	-0.41	Long Liquidation
Nickel	1461.00	1435	-6.39	Long Liquidation
Zinc	248.60	1277	-22.89	Long Liquidation

### Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	47280.00	47434.00	154.00	177.00	-23.00
Silver	63226.00	63951.00	725.00	751.00	-26.00
Crude	4956.00	4956.00	0.00	-1.00	1.00
Nat.Gas	285.40	287.00	1.60	1.60	0.00
Aluminium	207.45	205.70	-1.75	-0.70	-1.05
Copper	709.70	712.80	3.10	2.45	0.65
Lead	179.05	178.20	-0.85	-1.25	0.40
Nickel	1461.00	1455.00	-6.00	-6.50	0.50
Zinc	248.60	246.45	-2.15	-2.35	0.20

### Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	74.78	100.90	65.55	76.56
Gold / Crude Ratio	9.54	19.58	8.37	13.37
Gold / Copper Ratio	66.62	112.33	59.19	82.95
Silver / Crude Ratio	12.76	25.03	12.33	17.32
Silver / Copper Ratio	89.09	147.81	85.79	107.76
Zinc / Lead Ratio	138.84	141.74	111.81	131.07
Crude / Nat.Gas Ratio	17.37	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	47280.00	46759.00	46971.00	47125.00	47337.00	47491.00	47703.00	47857.00	Positive
Silver	63226.00	62006.00	62506.00	62866.00	63366.00	63726.00	64226.00	64586.00	Negative
\$ Gold	1785.87	1777.40	1780.60	1785.90	1789.10	1794.40	1797.60	1802.90	Positive
\$ Silver	23.65	23.40	23.50	23.60	23.70	23.80	23.90	24.00	Negative
Crude oil	4956.00	4806.00	4867.00	4912.00	4973.00	5018.00	5079.00	5124.00	Negative
Natural Gas	285.40	272.90	278.50	281.90	287.50	290.90	296.50	299.90	Negative
\$ Crude oil	66.59	65.75	66.28	66.43	66.96	67.11	67.64	67.79	Negative
\$ Natural Gas	3.8370	3.6243	3.7137	3.7753	3.8647	3.9263	4.0157	4.0773	Negative
Aluminium	207.45	203.00	205.10	206.30	208.40	209.60	211.70	212.90	Negative
Copper	709.70	683.00	696.10	702.90	716.00	722.80	735.90	742.70	Negative
Lead	179.05	174.80	176.70	177.90	179.80	181.00	182.90	184.10	Negative
Nickel	1461.00	1414.60	1434.10	1447.60	1467.10	1480.60	1500.10	1513.60	Negative
Zinc	248.60	243.80	246.00	247.30	249.50	250.80	253.00	254.30	Negative
LME Aluminium	2576.00	2482.50	2526.00	2551.00	2594.50	2619.50	2663.00	2688.00	Negative
LME Copper	9224.00	8859.33	9040.67	9132.33	9313.67	9405.33	9586.67	9678.33	Negative
LME Lead	2293.00	2241.00	2266.00	2279.50	2304.50	2318.00	2343.00	2356.50	Negative
LME Nickel	19230.00	18376.67	18733.33	18981.67	19338.33	19586.67	19943.33	20191.67	Negative
LME Zinc	3003.00	2931.00	2964.00	2983.50	3016.50	3036.00	3069.00	3088.50	Negative

#### Latest News Update

Boston Federal Reserve Bank President Eric Rosengren said that one more month of strong job gains could satisfy the U.S. central bank's requirements for beginning to reduce its monthly asset purchases. "We've had two months in a row where we've created more than 900,000 jobs and the unemployment rate dropped by half a percent to 5.4%," Rosengren said during an interview with CNBC. "If we get another strong labor market report, I think that I would be supportive of announcing in September that we are ready to start the taper program." Fed officials said in December that they would continue purchasing assets at the current pace of \$120 billion a month until there is "substantial further progress" toward the central bank's goals for inflation and employment. Rosengren said he believed the standard was already met for inflation, which is running slightly above the Fed's 2% target. The policymaker repeated his view that he would support reducing the purchases of mortgage-backed securities and Treasury securities by equal amounts.

Japan's economy rebounded more than expected in the second quarter after slumping in the first three months of this year, data showed, a sign consumption and capital expenditure were recovering from the coronavirus pandemic's initial hit. The world's third-largest economy grew an annualised 1.3% in April-June after a revised 3.7% slump in the first quarter, preliminary gross domestic product (GDP) data showed, beating a median market forecast for a 0.7% gain. Still, the rebound was much weaker than that of other advanced economies including the United States, which marked a 6.5% annualised expansion in the second quarter, highlighting the fallout from Tokyo's struggle in containing the pandemic. An unexpected rebound in April-June consumption also highlighted the dilemma the government faces, as citizens are becoming less responsive to voluntary, repeated stop-and-go requests to stay home. Consumption rose 0.8% in April-June from the previous quarter, confounding market forecasts for a 0.1% decline and rebounding from a 1.0% drop in January-March, the data showed.

### MCX GOLD

#### Technical Chart



Open	High	Low	Close	Net Cng
47235.00	47549.00	47183.00	47280.00	55.00
OI	% OI	Volume	Trend	% Cng
12096.00	-4.99	6999.00	Positive	0.12

#### Fundamentals

Gold yesterday settled up by 0.12% at 47280 as some investors opted for the dollar instead as surging COVID-19 Delta variant cases posed a threat to a global economic recovery. Risk sentiment in wider financial markets remained weak as disappointing U.S. retail sales data and a spike in COVID-19 infections worldwide dented appetite for riskier assets. The market's focus now turns to minutes from Federal Reserve's July meeting due on Wednesday for cues on the central bank's stimulus tapering. Markets are also keeping a close watch on rising geopolitical implications in Afghanistan. Production at U.S. factories surged in July, boosted by an acceleration in motor vehicle output as auto makers either pared or canceled annual retooling shutdowns to work around a global semiconductor shortage. Manufacturing output jumped 1.4% last month after falling 0.3% in June, the Federal Reserve said. The New York area saw business activity grow at a slower but still significant pace in early August, according to a survey by the New York Federal Reserve. The survey's headline business activity index fell to 27.8 in August from 41.7 in July, moving away from record-setting pace of growth seen over the past few months. Technically market is under short covering as market has witnessed drop in open interest by -4.99% to settled at 12096 while prices up 55 rupees, now Gold is getting support at 47125 and below same could see a test of 46971 levels, and resistance is now likely to be seen at 47491, a move above could see prices testing 47703.

#### Trading Idea for the day

Gold trading range for the day is 46971-47703.

Gold prices retreated from highs as some investors opted for the dollar instead as surging COVID-19 Delta variant cases posed a threat to a global economic recovery.

Disappointing U.S. retail sales data and a spike in COVID-19 infections worldwide dented appetite for riskier assets.

The market's focus now turns to minutes from Federal Reserve's July meeting due on Wednesday for cues on the central bank's stimulus tapering.

### MCX SILVER

#### Technical Chart



Open	High	Low	Close	Net Cng
63483.00	63866.00	63006.00	63226.00	-231.00
OI	% OI	Volume	Trend	% Cng
9680.00	-0.88	9380.00	Negative	-0.36

#### Fundamentals

Silver yesterday settled down by -0.36% at 63226 as traders remained cautious and waited for a clearer picture of the US Fed's monetary policy outlook, after recent economic data buoyed the greenback. Boston Federal Reserve Bank President Eric Rosengren said that one more month of strong job gains could satisfy the U.S. central bank's requirements for beginning to reduce its monthly asset purchases. "We've had two months in a row where we've created more than 900,000 jobs and the unemployment rate dropped by half a percent to 5.4%," Rosengren said. The dollar gained bolstered by safe-haven demand as investors fretted about Afghanistan, China's plans to regulate the internet sector, and the Delta variant COVID-19 spread which forced some lockdowns. U.S. business inventories increased strongly in June, though raw material shortages continue to frustrate efforts by motor vehicle retailers to restock. Business inventories rose 0.8% after advancing 0.6% in May, the Commerce Department said. U.S. homebuilder confidence in the market for single-family homes fell in August to its lowest reading in 13 months, driven by higher construction costs and supply shortages, a report showed. The NAHB/Wells Fargo Housing Market index declined 5 points to a reading of 75 this month, its lowest level since July 2020, from 80 in July. Technically market is under long liquidation as market has witnessed drop in open interest by -0.88% to settled at 9680 while prices down -231 rupees, now Silver is getting support at 62866 and below same could see a test of 62506 levels, and resistance is now likely to be seen at 63726, a move above could see prices testing 64226.

#### Trading Idea for the day

Silver trading range for the day is 62506-64226.

Silver dropped as traders remained cautious and waited for a clearer picture of the US Fed's monetary policy outlook, after recent economic data buoyed the greenback.

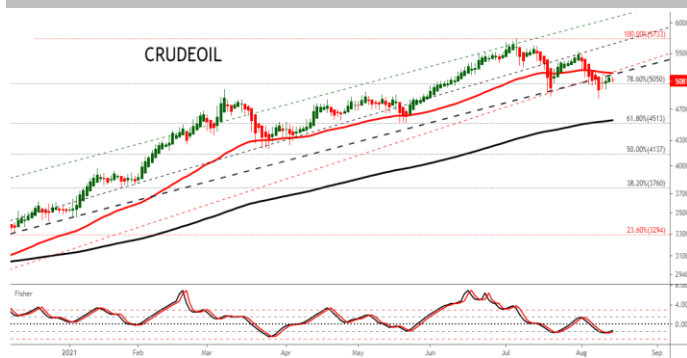
Fed's Rosengren: Another strong jobs report could support September taper announcement

U.S. homebuilder confidence in the market for single-family homes fell in August to its lowest reading in 13 months



### MCX CRUDEOIL

#### Technical Chart



Open	High	Low	Close	Net Cng
5005.00	5034.00	4928.00	4956.00	-50.00
OI	% OI	Volume	Trend	% Cng
4237.00	-6.74	35506.00	Negative	-1.00

#### Fundamentals

Crude oil yesterday settled down by -1% at 4956 as losses incurred on the back of weak demand picture in Asia and OPEC and its allies saying the market does not need more crude. On the demand side, daily crude processing in China, the world's biggest oil importer, fell to its lowest in July since May 2020 as independent plants slashed production amid tighter quotas, high inventories and weakening profits. China's factory output and retail sales growth also slowed sharply and missed expectations in July, as new COVID-19 outbreaks and floods disrupted businesses. Hedge funds sold petroleum last week for the sixth time in eight weeks as resurgent coronavirus infections in China, Europe and North America dampened hopes of a rapid resumption in long-distance air travel. On the supply side, U.S. shale oil output is expected to rise to 8.1 million barrels per day (bpd) in September, the highest since April 2020, according government data. Last week, U.S. President Joe Biden's administration urged OPEC+, which groups members of the Organization of the Petroleum Exporting Countries and other producers such as Russia, to boost oil output to tackle rising gasoline prices. U.S. oil rigs rose 10 to 397 last week, their highest since April 2020, and up from 172 a year ago, Baker Hughes data showed. Technically market is under long liquidation as market has witnessed drop in open interest by -6.74% to settled at 4237 while prices down -50 rupees, now Crude oil is getting support at 4912 and below same could see a test of 4867 levels, and resistance is now likely to be seen at 5018, a move above could see prices testing 5079.

#### Trading Idea for the day

Crude oil trading range for the day is 4867-5079.

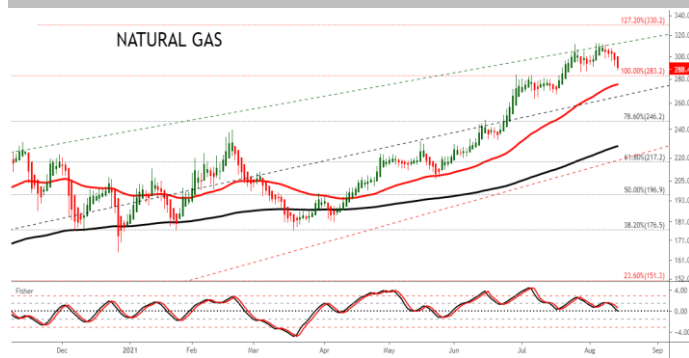
Crude oil prices dropped as losses incurred on the back of weak demand picture in Asia

U.S. shale oil output is expected to rise to 8.1 million barrels per day (bpd) in September, the highest since April 2020, according government data.

U.S. oil rigs rose 10 to 397 last week, their highest since April 2020, and up from 172 a year ago, Baker Hughes data showed.

### MCX NATURALGAS

#### Technical Chart



Open	High	Low	Close	Net Cng
292.80	293.10	284.10	285.40	-9.20
OI	% OI	Volume	Trend	% Cng
10852.00	8.16	148092.00	Negative	-3.12

#### Fundamentals

Nat.Gas yesterday settled down by -3.12% at 285.4 as weather forecasts turned milder than before, potentially dimming demand for the fuel used to cool homes and businesses. Data provider Refinitiv projected average U.S. gas demand, including exports, would rise from 92 billion cubic feet per day (bcfd) this week to 93 bcfd next week. Refinitiv also said gas output in the U.S. Lower 48 states averaged 92 bcfd so far in August, up from 91.6 bcfd in July. That compares with an all-time high of 95.4 bcfd in November 2019. The amount of gas flowing to U.S. LNG export plants is expected to jump to 11 bcfd in the next two weeks. The U.S. Energy Information Administration (EIA) said utilities added 49 billion cubic feet (bcf) of gas into storage during the week ended Aug. 6. Last week's injection boosted stockpiles to 2.776 trillion cubic feet (tcf), or 6.0% below the five-year average of 2.954 tcf for this time of year. Data provider Refinitiv said gas output in the U.S. Lower 48 states rose to an average of 92.0 billion cubic feet per day (bcfd) so far in August from 91.6 bcfd in July. That compares with an all-time high of 95.4 bcfd in November 2019. Technically market is under fresh selling as market has witnessed gain in open interest by 8.16% to settled at 10852 while prices down -9.2 rupees, now Natural gas is getting support at 281.9 and below same could see a test of 278.5 levels, and resistance is now likely to be seen at 290.9, a move above could see prices testing 296.5.

#### Trading Idea for the day

Natural gas trading range for the day is 278.5-296.5.

Natural gas fell as weather forecasts turned milder than before, potentially dimming demand for the fuel used to cool homes and businesses.

The amount of gas flowing to U.S. LNG export plants is expected to jump to 11 bcfd in the next two weeks.

Also this week EIA report will be smaller than the 5-year average due to widespread heat over the US this past week.

### MCX COPPER

#### Technical Chart



Open	High	Low	Close	Net Cng
726.35	729.15	709.20	709.70	-16.65
OI	% OI	Volume	Trend	% Cng
5515.00	25.23	15734.00	Negative	-2.29

#### Fundamentals

Copper yesterday settled down by -2.29% at 709.7 as pressure seen after the labour union at BHP Escondida Copper Mine accepted the new wage proposal to avoid a strike at the global largest copper mine, abating concerns over supply shortages of copper concentrate. But a strike at Codelco's Andina copper mine occurred on August 12, while Codelco failed to make progress in early negotiations between its El Teniente mine and five unions. On the macro front, Fed officers estimated that the Fed will begin to reduce bond purchase since this autumn. And a consensus was also reached that the tapering QE will commence in the following three months should the economy recovery sustains. Some Fed officials believe that the inflation rate will not surge for a long time, and will return to the 2% target. The labour market is expected to improve in light of the employment data two weeks ago. Domestic inventories remained low amid the impact from power restrictions in south China on smelters, sharp inventory declines in Guangdong and transportation issues across global ports due to the pandemic as well as the absence of continued influx of imported copper. Meanwhile, tight supply of copper scrap from Malaysia has boosted copper cathode consumption. Technically market is under fresh selling as market has witnessed gain in open interest by 25.23% to settled at 5515 while prices down -16.65 rupees, now Copper is getting support at 702.9 and below same could see a test of 696.1 levels, and resistance is now likely to be seen at 722.8, a move above could see prices testing 735.9.

#### Trading Idea for the day

Copper trading range for the day is 696.1-735.9.

Copper prices dropped as pressure seen after the labour union at BHP Escondida Copper Mine accepted the new wage proposal to avoid a strike

Domestic inventories remained low amid the impact from power restrictions in south China on smelters

On the macro front, Fed officers estimated that the Fed will begin to reduce bond purchase since this autumn.

### MCX ZINC

#### Technical Chart



Open	High	Low	Close	Net Cng
250.75	251.75	248.20	248.60	-1.60
OI	% OI	Volume	Trend	% Cng
1277.00	-22.89	4435.00	Negative	-0.64

#### Fundamentals

Zinc yesterday settled down by -0.64% at 248.6 as the significantly slowed down economic data in China triggered market concerns. Fed officials stated that they would consider supporting the implementation of the bond purchase reduction plan in September under the expectation of strong employment recovery, and plan to end bond purchases before mid-2022. On the fundamentals, NDRC announced that the approval process for projects with "high energy consumption and high pollution" will be suspended except for significant projects planned by the central government, and urged local governments to fulfill the targets of containing energy consumption increase and energy intensity. The news is likely to bring more uncertainties to power restriction policies and potentially trigger further decrease in supply. In addition, China's credit growth and social financial data in July announced were lower than expected, and data on industrial prosperity, total retail sales of consumer goods, and fixed asset investment growth in July have all declined. The global pandemic further intensified, but no measure such as blockades was taken, and the economic recovery was suppressed. The power curtailment has been loosened in Guangxi, Hunan, and Yunnan, but the affected output in August is still higher than expected. The output of zinc ingot is expected to be 494,400 mt in August, and the supply will remain tight. Technically market is under long liquidation as market has witnessed drop in open interest by -22.89% to settled at 1277 while prices down -1.6 rupees, now Zinc is getting support at 247.3 and below same could see a test of 246 levels, and resistance is now likely to be seen at 250.8, a move above could see prices testing 253.

#### Trading Idea for the day

Zinc trading range for the day is 246-253.

Zinc prices dropped as the significantly slowed down economic data in China triggered market concerns.

China's credit growth and social financial data in July announced were lower than expected

The power curtailment has been loosened in Guangxi, Hunan, and Yunnan, but the affected output in August is still higher than expected.

### MCX NICKEL

#### Technical Chart



Open	High	Low	Close	Net Cng
726.35	729.15	709.20	709.70	-16.65
OI	% OI	Volume	Trend	% Cng
5515.00	25.23	15734.00	Negative	-2.29

#### Fundamentals

Nickel yesterday settled down by -1.52% at 1461 after data from top metals consumer China disappointed investors and showed signs of increasing pressure on the world's second-biggest economy. Both factory output and retail sales in China rose more slowly than expected in July from a year ago, as export growth cooled and new COVID-19 outbreaks disrupted business. On the fundamentals, nickel ore prices remained high amid tightened supply of nickel sulphate and great demand from stainless steel and new energy sectors. U.S. homebuilder confidence in the market for single-family homes fell in August to its lowest reading in 13 months, driven by higher construction costs and supply shortages, a report released on Tuesday showed. The NAHB/Wells Fargo Housing Market index declined 5 points to a reading of 75 this month, its lowest level since July 2020, from 80 in July. Production at U.S. factories surged in July, boosted by an acceleration in motor vehicle output as auto makers either pared or canceled annual retooling shutdowns to work around a global semiconductor shortage. Manufacturing output jumped 1.4% last month after falling 0.3% in June, the Federal Reserve said. Technically market is under long liquidation as market has witnessed drop in open interest by -6.39% to settled at 1435 while prices down -22.6 rupees, now Nickel is getting support at 1447.6 and below same could see a test of 1434.1 levels, and resistance is now likely to be seen at 1480.6, a move above could see prices testing 1500.1.

#### Trading Idea for the day

Nickel trading range for the day is 1434.1-1500.1.

Nickel prices dropped after data from top metals consumer China disappointed investors

Both factory output and retail sales in China rose more slowly than expected in July from a year ago

Nickel ore prices remained high amid tightened supply of nickel sulphate and great demand from stainless steel and new energy sectors.

### MCX ALUMINIUM

#### Technical Chart



Open	High	Low	Close	Net Cng
250.75	251.75	248.20	248.60	-1.60
OI	% OI	Volume	Trend	% Cng
1277.00	-22.89	4435.00	Negative	-0.64

#### Fundamentals

Aluminium yesterday settled down by -0.34% at 207.45 on profit booking after prices rose supported by slow recovery in social inventories, mild increase in arrivals, intensified power restrictions in east Inner Mongolia. On the macro front, China economy faces greater downward pressure amid less-than-expected economic indexes in July. While on the fundamentals, domestic aluminium ingots are expected to maintain the mild re-stocking as previously delayed cargos will arrive in congestion after transportation was unblocked. Record aluminium prices in the United States and Europe will be sustained by Russia's mining tax for some months, but attempts to push prices even higher are likely to face headwinds from traders cashing in their stocks. Russia has imposed a 15% tax or a minimum of \$254 a tonne on aluminium exports between August and December. China's aluminium output in July slipped for a third month, official data showed, as continued power shortages in the south of the country kept smelter operating rates low. The world's top producer of the metal churned out 3.26 million tonnes of primary aluminium last month, the National Bureau of Statistics said. That was down from June's 3.29 million tonnes but up 7.4% year-on-year. U.S. business inventories increased strongly in June, though raw material shortages continue to frustrate efforts by motor vehicle retailers to restock. Technically market is under long liquidation as market has witnessed drop in open interest by -2.94% to settled at 1685 while prices down -0.7 rupees, now Aluminium is getting support at 206.3 and below same could see a test of 205.1 levels, and resistance is now likely to be seen at 209.6, a move above could see prices testing 211.7.

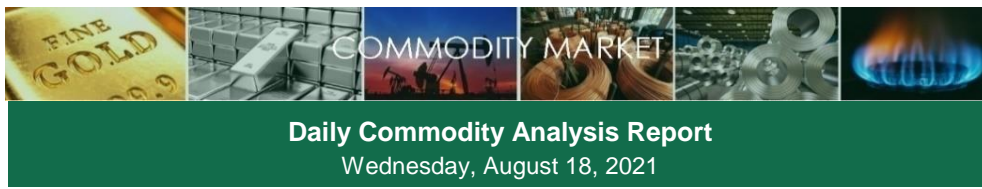
#### Trading Idea for the day

Aluminium trading range for the day is 205.1-211.7.

Aluminium dropped on profit booking after prices rose supported by slow recovery in social inventories, intensified power restrictions.

On the macro front, China economy faces greater downward pressure amid less-than-expected economic indexes in July.

Domestic aluminium ingots are expected to maintain the mild re-stocking as previously delayed cargos will arrive in congestion after transportation was unblocked.



## 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.

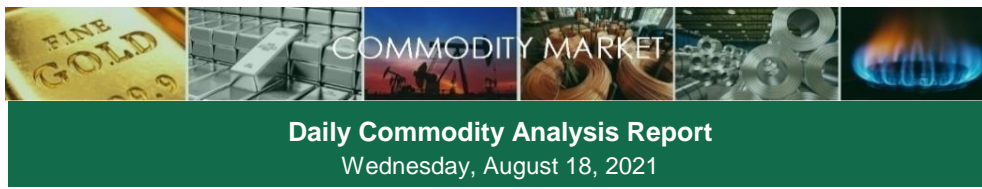
This Research Report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This Research Report and information herein is solely for informational purpose and shall not be 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 submits 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) / [sudipta@smifs.com](mailto:sudipta@smifs.com)

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