

# Daily Commodity Analysis Report

Monday, September 6, 2021  
Monday



## MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA	
Gold	1 Kg	47524.00	1.13	-0.03	-0.72	-5.24	-6.77	BUY	SELL	SELL	
Silver	30 Kg	65209.00	3.04	2.49	-4.15	-4.25	-2.63	SELL	SELL	SELL	
\$Gold	100 Tr. Oz	1827.60	0.00	0.52	0.92	-3.78	-5.71	BUY	BUY	BUY	
\$ Silver	5000 Tr. Oz	24.734	0.13	2.84	-3.28	-6.25	-7.65	SELL	SELL	SELL	
Crude	100 BBL	5062.00	-1.44	0.00	-3.48	43.64	39.87	SELL	SELL	BUY	
Nat.Gas	1250 mmBtu	341.70	0.29	5.91	12.20	87.64	46.74	BUY	BUY	BUY	
\$ Crude	1,000 Barrels	69.29	-1.00	1.42	-1.44	43.79	40.51	SELL	BUY	BUY	
\$ Nat. Gas	10000 mmBtu	4.71	1.53	5.91	12.20	87.64	46.74	BUY	BUY	BUY	
Aluminium	5MT	214.60	1.04	2.07	3.75	51.93	32.53	BUY	BUY	BUY	#
Copper	2500Kg	716.35	0.6	-0.37	-2.83	20.46	28.10	SELL	SELL	BUY	#
Lead	5MT	182.35	0.72	2.85	2.74	17.87	16.45	BUY	BUY	BUY	#
Nickel	1500Kg	1477.10	2.63	4.13	0.49	21.85	24.86	BUY	BUY	BUY	#
Zinc	5MT	245.15	0.49	-0.02	0.00	33.71	20.97	BUY	BUY	BUY	#
LME Alum	25 Tonnes	2751.50	0.68	2.89	5.29	38.00	35.02	BUY	BUY	BUY	#
LME Copp	25,000 Lbs.	9427.00	-0.45	0.53	-0.95	22.14	30.49	BUY	SELL	BUY	#
LME Lead	5 Tonnes	2299.50	0.17	0.39	-4.25	15.44	15.47	SELL	SELL	BUY	#
LME Nickel	250 Kg	19535.00	-1.71	4.38	2.36	19.95	24.18	BUY	BUY	BUY	#
LME Zinc	5 Tonnes	3001.00	0.07	0.38	0.73	9.09	16.92	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

Monday, September 6, 2021



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

### Currency Snapshot

Currency	Last	% Cng	
USDINR	73.18	-0.04	▼
EURINR	86.93	0.16	▲
GBPINR	101.23	0.24	▲
JPYINR	66.63	0.04	■
EURUSD	1.1873	-0.04	▼
GBPUSD	1.3855	-0.02	▼
USDJPY	109.79	0.09	■
Dollar Index	92.18	-0.04	▼

### Indices Snapshot

Indices	Last	Change	
NIFTY	17323.60	0.52	▲
SENSEX	58129.95	0.48	▲
HANGSENG	25901.99	-0.72	▼
NIKKEI	29128.11	2.05	▲
STRAITS	3083.85	-0.16	▼
CAC 40	6732.77	-0.45	▼
DAX	15855.36	0.09	■
DJIA	35443.82	0.37	▲
NASDAQ	15331.18	0.14	■
JAKARTA	6126.92	0.80	▲
KOSPI	3201.06	0.79	▲

### LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1343425	8125
LME Copper	252225	-175
LME Lead	52550	400
LME Nickel	188676	-1812
LME Zinc	236225	-200

### Economical Data

Time	Currency	Data	Fcst	Prev
11:30am	EUR	German Factory Orders m/m	-0.009	0.041
2:00pm	EUR	Sentix Investor Confidence	18.3	22.2
All Day	USD	Bank Holiday		

### Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	47524.00	10178	-8.9	Short Covering
Silver	65209.00	8164	-28.34	Short Covering
Crude	5062.00	4033	-31.21	Long Liquidation
Nat.Gas	341.70	15456	-2.94	Short Covering
Aluminium	214.60	2197	22.81	Fresh Buying
Copper	716.35	4170	-9.29	Short Covering
Lead	182.35	1547	11.38	Fresh Buying
Nickel	1477.10	1785	6.38	Fresh Buying
Zinc	245.15	948	-4.44	Short Covering

### Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	47524.00	47637.00	113.00	148.00	-35.00
Silver	65209.00	65994.00	785.00	862.00	-77.00
Crude	5062.00	5066.00	4.00	0.00	4.00
Nat.Gas	341.70	346.10	4.40	4.20	0.20
Aluminium	214.60	212.90	-1.70	-1.35	-0.35
Copper	716.35	718.00	1.65	2.10	-0.45
Lead	182.35	180.65	-1.70	-0.90	-0.80
Nickel	1477.10	1463.60	-13.50	-7.80	-5.70
Zinc	245.15	242.40	-2.75	-2.50	-0.25

### Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	72.88	100.90	65.55	76.47
Gold / Crude Ratio	9.39	19.58	8.37	13.19
Gold / Copper Ratio	66.34	112.33	59.19	82.16
Silver / Crude Ratio	12.88	25.03	12.18	17.10
Silver / Copper Ratio	91.03	147.81	84.90	106.86
Zinc / Lead Ratio	134.44	141.74	111.81	131.35
Crude / Nat.Gas Ratio	14.81	25.87	10.60	19.61

#### Commodity Market Daily Trading Levels

Commodity	Close	Support 3	Support 2	Support 1	Pivot Point	Resist 1	Resist 2	Resist 3	Trend
Gold	47524.00	46611.00	46823.00	47174.00	47386.00	47737.00	47949.00	48300.00	Positive
Silver	65209.00	61460.00	62368.00	63789.00	64697.00	66118.00	67026.00	68447.00	Positive
\$ Gold	1827.17	1819.20	1822.00	1824.80	1827.60	1830.40	1833.20	1836.00	Positive
\$ Silver	24.70	24.40	24.50	24.60	24.70	24.80	24.90	25.00	Positive
Crude oil	5062.00	4930.00	4992.00	5027.00	5089.00	5124.00	5186.00	5221.00	Negative
Natural Gas	341.70	330.80	334.10	337.90	341.20	345.00	348.30	352.10	Positive
\$ Crude oil	69.29	68.37	69.02	69.16	69.81	69.95	70.60	70.74	Negative
\$ Natural Gas	4.7120	4.4940	4.5400	4.6260	4.6720	4.7580	4.8040	4.8900	Positive
Aluminium	214.60	209.60	210.70	212.70	213.80	215.80	216.90	218.90	Positive
Copper	716.35	701.90	705.30	710.90	714.30	719.90	723.30	728.90	Positive
Lead	182.35	178.40	179.50	181.00	182.10	183.60	184.70	186.20	Positive
Nickel	1477.10	1398.20	1414.80	1446.00	1462.60	1493.80	1510.40	1541.60	Positive
Zinc	245.15	243.30	243.90	244.60	245.20	245.90	246.50	247.20	Positive
LME Aluminium	2733.00	2640.67	2659.33	2696.17	2714.83	2751.67	2770.33	2807.17	Positive
LME Copper	9470.00	9237.33	9288.67	9379.33	9430.67	9521.33	9572.67	9663.33	Positive
LME Lead	2295.50	2249.17	2267.83	2281.67	2300.33	2314.17	2332.83	2346.67	Positive
LME Nickel	19875.00	18821.67	19058.33	19466.67	19703.33	20111.67	20348.33	20756.67	Positive
LME Zinc	2999.00	2943.67	2960.33	2979.67	2996.33	3015.67	3032.33	3051.67	Positive

#### Latest News Update

Activity in China's services sector slumped into sharp contraction in August, a private survey showed, as restrictions to curb the COVID-19 Delta variant threatened to derail the recovery in the world's second-biggest economy. The Caixin/Markit services Purchasing Managers' Index (PMI) fell to 46.7 in August from 54.9 in July, plunging to the lowest level since the pandemic's first wave in April 2020. The 50-point mark separates growth from contraction on a monthly basis. The grim readings in the private survey, which focuses more on smaller firms in coastal regions, tally with findings in an official survey earlier this week which also showed growth in the services sector slipped into contraction. China's services sector was slower to recover from the pandemic than manufacturing, but has been helped by a gradual improvement in consumption in recent months. The country appears to have largely contained the latest coronavirus outbreaks of the more infectious Delta variant, with just one locally transmitted case reported on Sept. 1 after several days of zero cases.

Japan's factory activity expanded at a slower rate in August as a resurgence of coronavirus cases in Asia disrupted supply chains across the region, sinking overseas orders into contraction for the first time in seven months. Manufacturers withstood the pandemic's hit in part thanks to their positive outlook for the coming twelve months, even as the highly infectious COVID-19 Delta variant is pushing countries in Asia-Pacific back into lockdown mode. The final au Jibun Bank Japan Manufacturing Purchasing Managers' Index (PMI) in August eased to 52.7 on a seasonally adjusted basis from 53.0 in the previous month, and up slightly from a 52.4 flash reading. The PMI survey showed that overall new orders expanded at their slowest pace since January, while new export orders posted their first contraction since that month. Overall output saw a rise, but its pace eased from the prior month as the intensifying health crisis and a lack of raw materials weighed on production.

### MCX GOLD

#### Technical Chart



Open	High	Low	Close	Net Cng
47095.00	47598.00	47035.00	47524.00	533.00
OI	% OI	Volume	Trend	% Cng
10178.00	-8.90	8418.00	Positive	1.13

#### Fundamentals

Gold yesterday settled up by 1.13% at 47524 as a surprise slowdown in U.S. jobs growth in August drove the dollar lower, casting doubts on the Federal Reserve's tapering timeline. U.S. job growth came in well below expectations in August amid a jump in COVID-19 infections. Fed Chair Jerome Powell said that if job growth continued, the Fed could start cutting asset purchases this year, but would remain cautious about raising interest rates. The U.S. Federal Reserve is likely to announce the tapering of its asset purchases in November and begin the process a month later, former Federal Reserve official Dennis Lockhart said. Waiting until November will give policymakers more data on the labor market's recovery and economic growth, Lockhart told. But Lockhart, president of the Atlanta Fed from 2007 to 2017, warned "a particularly bad next two months" could postpone this timeline. The Fed's September meeting will be the first since the Jackson Hole symposium where Chairman Jerome Powell only said tapering could be "this year." The Perth Mint's sales of gold products in August fell about 24% to their lowest level since June 2020. Sales of gold coins and minted bars in August fell to 53,976 ounces from 70,658 ounces in July, and were down 20% from a year earlier. Technically market is under short covering as market has witnessed drop in open interest by -8.9% to settled at 10178 while prices up 533 rupees, now Gold is getting support at 47174 and below same could see a test of 46823 levels, and resistance is now likely to be seen at 47737, a move above could see prices testing 47949.

#### Trading Idea for the day

Gold trading range for the day is 46823-47949.

Gold advanced as a surprise slowdown in U.S. jobs growth in August drove the dollar lower, casting doubts on the Federal Reserve's tapering timeline.

U.S. job growth came in well below expectations in August amid a jump in COVID-19 infections.

Fed likely to announce taper in November, former Fed official says

### MCX SILVER

#### Technical Chart



Open	High	Low	Close	Net Cng
63389.00	65605.00	63276.00	65209.00	1924.00
OI	% OI	Volume	Trend	% Cng
8164.00	-28.34	19455.00	Positive	3.04

#### Fundamentals

Silver yesterday settled up by 3.04% at 65209 after data showed that wages increased more than expected in August even as jobs growth slowed. Nonfarm payrolls missed expectations with an increase of 235,000 jobs amid a softening in demand for services and persistent worker shortages as COVID-19 infections soared. Federal Reserve Chair Jerome Powell said there was no rush to tighten monetary policy and gave a detailed account on why he regards a spike in inflation as temporary. The Fed is expected to begin paring bond purchases this year, but is viewed as unlikely to announce a change in policy until later this year. The Perth Mint's sales of silver rose nearly 13%. Silver products' sales increased to 1,467,229 ounces in August from 1,302,723 ounces in July, its lowest since January. They were up 2.5% from the same month in 2020. The U.S. Federal Reserve is likely to announce the tapering of its asset purchases in November and begin the process a month later, former Federal Reserve official Dennis Lockhart said. Waiting until November will give policymakers more data on the labor market's recovery and economic growth, Lockhart told. But Lockhart, president of the Atlanta Fed from 2007 to 2017, warned "a particularly bad next two months" could postpone this timeline. Technically market is under short covering as market has witnessed drop in open interest by -28.34% to settled at 8164 while prices up 1924 rupees, now Silver is getting support at 63789 and below same could see a test of 62368 levels, and resistance is now likely to be seen at 66118, a move above could see prices testing 67026.

#### Trading Idea for the day

Silver trading range for the day is 62368-67026.

Silver prices rallied after data showed that wages increased more than expected in August even as jobs growth slowed.

Nonfarm payrolls missed expectations with an increase of 235,000 jobs amid a softening in demand for services and persistent worker shortages as COVID-19 infections soared.

The Perth Mint's sales of silver rose nearly 13%.

#### MCX CRUDEOIL

##### Technical Chart



Open	High	Low	Close	Net Cng
5117.00	5151.00	5054.00	5062.00	-74.00
OI	% OI	Volume	Trend	% Cng
4033.00	-31.21	43267.00	Negative	-1.44

##### Fundamentals

Crude oil yesterday settled down by -1.44% at 5062 after OPEC+ agreed to add another 400,000 barrels per day of supply each month to the market through December, despite revising its 2022 demand outlook upwards. However downside seen limited as a rebound in global demand was widely expected and a slow recovery for the U.S. Gulf Coast export and refining hub from the hurricane earlier this week looked set to deplete stocks further. About 1.7 million barrels per day of oil production remains shut in the U.S. Gulf of Mexico, with damage to heliports and fuel depots slowing the return of crews to offshore platforms. The Organization of the Petroleum Exporting Countries and allies, known as OPEC+, stuck to a plan to add 400,00 barrels per day (bpd) to the market over the next few months. The United States welcomed the move and pledged to press the exporter club to do more to support economic recovery by unleashing production. Data released by Energy Information Administration showed U.S. oil stockpiles dropped by 7.169 million barrels last week, more than twice the expected drop of about 3.1 million barrels. Investors are confident that the market can absorb additional supply from OPEC+ as the U.S. Gulf grapples with Hurricane Ida's impact. Technically market is under long liquidation as market has witnessed drop in open interest by -31.21% to settled at 4033 while prices down -74 rupees, now Crude oil is getting support at 5027 and below same could see a test of 4992 levels, and resistance is now likely to be seen at 5124, a move above could see prices testing 5186.

##### Trading Idea for the day

Crude oil trading range for the day is 4992-5186.

Crude oil seen some pressure after OPEC+ agreed to add another 400,000 barrels per day of supply each month to the market through December

OPEC+, stuck to a plan to add 400,00 barrels per day (bpd) to the market over the next few months.

US welcomed the move and pledged to press the exporter club to do more to support economic recovery by unleashing production.

#### MCX NATURALGAS

##### Technical Chart



Open	High	Low	Close	Net Cng
338.70	344.50	337.40	341.70	1.00
OI	% OI	Volume	Trend	% Cng
15456.00	-2.94	85702.00	Positive	0.29

##### Fundamentals

Nat.Gas yesterday settled up by 0.29% at 341.7 as significant output remained offline in the aftermath of Hurricane Ida, exacerbating supply concerns in an already tight market. U.S. Gulf Coast energy companies have advanced efforts to restart facilities, but larger hurdles remain for producers and refiners. A weekly report showing a storage injection of just 20 billion cubic feet (bcf) during the week ended Aug. 27 also supported prices. Data provider Refinitiv said total U.S. production has averaged 88.6 billion cubic feet per day (bcfd) so far in September, down from 92.0 bcfd in August. Output is also expected to slip further, to 88 bcfd next week. U.S. pipeline exports to Mexico rose to an average 6.3 bcfd so far this month, from 6.2 bcfd in August, but were slightly lower than June's monthly record of 6.7 bcfd. With European and Asian gas both trading over \$18 per mmBtu, compared with just under \$5 for the U.S. fuel, buyers around the world would keep purchasing all the liquefied natural gas the United States can produce. Technically market is under short covering as market has witnessed drop in open interest by -2.94% to settled at 15456 while prices up 1 rupees, now Natural gas is getting support at 337.9 and below same could see a test of 334.1 levels, and resistance is now likely to be seen at 345, a move above could see prices testing 348.3.

##### Trading Idea for the day

Natural gas trading range for the day is 334.1-348.3.

Natural gas gained as significant output remained offline in the aftermath of Hurricane Ida, exacerbating supply concerns in an already tight market.

U.S. Gulf Coast energy companies have advanced efforts to restart facilities, but larger hurdles remain for producers and refiners.

A weekly report showing a storage injection of just 20 billion cubic feet (bcf) during the week ended Aug. 27 also supported prices.



### MCX COPPER

#### Technical Chart



Open	High	Low	Close	Net Cng
714.05	717.70	708.70	716.35	4.30
OI	% OI	Volume	Trend	% Cng
4170.00	-9.29	11583.00	Positive	0.60

#### Fundamentals

Copper yesterday settled up by 0.6% at 716.35 amid expectations of improving economic growth despite the coronavirus pandemic. Activity in top metals consumer China's services sector slumped into sharp contraction in August, a private survey showed, as restrictions to curb the Delta coronavirus variant threatened to derail the recovery in the world's second-biggest economy. Codelco, the world's top copper producer, boosted its production of the red metal by 2.7% year-on-year in July, to 136,900 tonnes, the Chilean Copper Commission (Cochilco) reported. Two unions at Chile's Andina copper mine have struck a labor contract deal with world top copper producer Codelco, the company said Thursday, ending a prolonged strike that began in mid-August. Members of the Industrial Union of Labor Integration (SILL) and the Unified Workers' Union (SUT) returned to the bargaining table with the state miner late last month, and on Wednesday evening signed the new 36-month contract. On the macro front, US jobless claims fell 14000 to 340000, the lowest since the breakout of COVID-19, further pulling back US dollar index. The reading was greatly better than expected, signalling an inspiring job market. China copper inventory continued to fall, offering some support to spot premiums and copper prices. Technically market is under short covering as market has witnessed drop in open interest by -9.29% to settled at 4170 while prices up 4.3 rupees, now Copper is getting support at 710.9 and below same could see a test of 705.3 levels, and resistance is now likely to be seen at 719.9, a move above could see prices testing 723.3.

#### Trading Idea for the day

Copper trading range for the day is 705.3-723.3.

Copper prices gained amid expectations of improving economic growth despite the coronavirus pandemic.

Codelco, boosted its production of the red metal by 2.7% year-on-year in July, to 136,900 tonnes

Unions at Codelco's Andina mine to end strike after reaching labor deal

### MCX ZINC

#### Technical Chart



Open	High	Low	Close	Net Cng
244.60	245.80	244.55	245.15	1.20
OI	% OI	Volume	Trend	% Cng
948.00	-4.44	2359.00	Positive	0.49

#### Fundamentals

Zinc yesterday settled up by 0.49% at 245.15 as support seen after total zinc inventories across seven Chinese markets stood at 123,600 mt as of September 3, down 2,400 mt. Inventories in Shanghai fell sharply as imported zinc inflow thinned, market mainly consumed domestic zinc and downstream plants restocked cargoes on declining prices. Guangdong saw an increase in stocks as arrivals of cargoes in the market increased and downstream demand was muted. Stocks in Tianjin declined amid the consumption of the second batch of government stockpiles and restocking demand. Activity in China's services sector slumped into sharp contraction in August, a private survey showed, as restrictions to curb the COVID-19 Delta variant threatened to derail the recovery in the world's second-biggest economy. The Caixin/Markit services Purchasing Managers' Index (PMI) fell to 46.7 in August from 54.9 in July, plunging to the lowest level since the pandemic's first wave in April 2020. On the macro front, Senator Joe Manchin urged fellow Democrats to pause in their push to enact a \$3.5 trillion spending bill. On the fundamentals, downstream demand was sluggish except Ningbo whose demand picked up in light of rising export orders. US jobless claims fell 14000 to 340000, the lowest since the breakout of COVID-19, further pulling back US dollar index. Technically market is under short covering as market has witnessed drop in open interest by -4.44% to settled at 948 while prices up 1.2 rupees, now Zinc is getting support at 244.6 and below same could see a test of 243.9 levels, and resistance is now likely to be seen at 245.9, a move above could see prices testing 246.5.

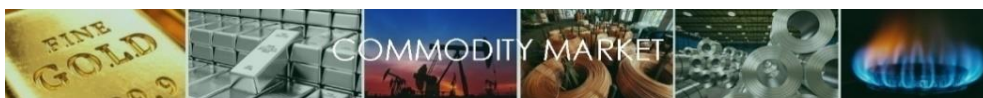
#### Trading Idea for the day

Zinc trading range for the day is 243.9-246.5.

Zinc prices gained as support seen after total zinc inventories across seven Chinese markets stood at 123,600 mt down 2,400 mt

US jobless claims fell 14000 to 340000, the lowest since the breakout of COVID-19, further pulling back US dollar index.

Senator Joe Manchin urged fellow Democrats to pause in their push to enact a \$3.5 trillion spending bill.



## Daily Commodity Analysis Report

Monday, September 6, 2021



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

## MCX NICKEL

### Technical Chart



Open	High	Low	Close	Net Cng
714.05	717.70	708.70	716.35	4.30
OI	% OI	Volume	Trend	% Cng
4170.00	-9.29	11583.00	Positive	0.60

## Fundamentals

Nickel yesterday settled up by 2.63% at 1477.1 supported by solid demand and low inventories across the world. Nickel output from Philippines, the biggest supplier of nickel ore to top metals consumer China, rose 39% in the first half of the year to 151,646 tonnes, valued at 21.42 billion pesos (\$431.72 million), latest data from the Mines and Geosciences Bureau (MGB) showed. The MGB has painted a bright outlook for the local mining sector after President Rodrigo Duterte in April lifted a moratorium on new mineral agreements imposed in 2012, reopening the industry to investments to help revive the pandemic-hit economy. Refined nickel inventories in ShFE warehouses hit a record low of 4,455 tonnes, down 89% from a year earlier. Stockpiles in LME warehouses fell to their lowest since January 2020 to 194,466 tonnes. The U.S. economy created the fewest jobs in seven months in August as hiring in the leisure and hospitality sector stalled amid a resurgence in COVID-19 infections, which weighed on demand at restaurants and other food places. But other details of the Labor Department's closely watched employment report were fairly strong, with the unemployment rate falling to a 17-month low of 5.2% and July job growth revised sharply higher. Technically market is under fresh buying as market has witnessed gain in open interest by 6.38% to settled at 1785 while prices up 37.8 rupees, now Nickel is getting support at 1446 and below same could see a test of 1414.8 levels, and resistance is now likely to be seen at 1493.8, a move above could see prices testing 1510.4.

### Trading Idea for the day

Nickel trading range for the day is 1414.8-1510.4.

Nickel prices rose supported by solid demand and low inventories across the world.

Philippines' first – half nickel output up 39% y/y

Refined nickel inventories in ShFE warehouses hit a record low of 4,455 tonnes, down 89% from a year earlier.

## MCX ALUMINIUM

### Technical Chart



Open	High	Low	Close	Net Cng
244.60	245.80	244.55	245.15	1.20
OI	% OI	Volume	Trend	% Cng
948.00	-4.44	2359.00	Positive	0.49

## Fundamentals

Aluminium yesterday settled up by 1.04% at 214.6 amid growing concern that restrictions on production of the metal in China are causing supply shortages. Lower Chinese output is transforming a market that was amply supplied for years. The amount of annual aluminium capacity shut down in top producer China so far this year has exceeded 2 million tonnes and could rise further, state-backed Chinese research house Antaike said on Thursday. Several Chinese regions - including the smelting hubs of Yunnan, Xinjiang and Inner Mongolia - have imposed restrictions on aluminium makers' electricity consumption or metal production in recent months because of tight power supplies and pressure to reduce emissions. However, Chinese aluminium industry executives said this week that there had been "no obvious gap" between supply and demand and the China Nonferrous Metals Industry Association (CNIA) called the price rally "irrational". Aluminium inventories in LME-registered warehouses have fallen from almost 2 million tonnes in March to a little more than 1.3 million tonnes. Cash aluminium has been trading at a premium to the three-month contract on the LME, signalling tight supply. This premium has fallen to about \$5 from around \$20 earlier this week. Technically market is under fresh buying as market has witnessed gain in open interest by 22.81% to settled at 2197 while prices up 2.2 rupees, now Aluminium is getting support at 212.7 and below same could see a test of 210.7 levels, and resistance is now likely to be seen at 215.8, a move above could see prices testing 216.9.

### Trading Idea for the day

Aluminium trading range for the day is 210.7-216.9.

Aluminium prices rose amid growing concern that restrictions on production of the metal in China are causing supply shortages.

China aluminium cuts exceed 2 mln tonnes so far

Aluminium inventories in LME-registered warehouses have fallen from almost 2 million tonnes in March to a little more than 1.3 million tonnes.



## 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)