

Daily Commodity Analysis Report

Tuesday, September 14, 2021
Tuesday



COMMODITY MARKET

MARKET MOVEMENT

Commodity	Unit	Last	% Cng	Weekly	Monthly	YTD	Yearly	50DMA	100DMA	200DMA	
Gold	1 Kg	46908.00	0.22	-1.53	1.80	-6.67	-10.61	SELL	SELL	SELL	
Silver	30 Kg	63299.00	-0.46	-2.54	1.50	-6.63	-8.49	SELL	SELL	SELL	
\$Gold	100 Tr. Oz	1791.15	-0.11	-2.16	3.30	-5.82	-8.84	SELL	SELL	SELL	
\$ Silver	5000 Tr. Oz	23.681	-0.12	-4.01	1.71	-9.87	-13.23	SELL	SELL	SELL	
Crude	100 BBL	5181.00	1.05	1.27	0.29	45.49	46.07	SELL	BUY	BUY	
Nat.Gas	1250 mmBtu	385.30	5.53	6.41	16.76	100.49	52.53	BUY	BUY	BUY	
\$ Crude	1,000 Barrels	70.45	1.05	0.10	1.84	43.93	46.95	SELL	BUY	BUY	
\$ Nat. Gas	10000 mmBtu	5.23	5.93	6.41	16.76	100.49	52.53	BUY	BUY	BUY	
Aluminium	5MT	229.10	-0.8	7.08	10.31	63.50	37.28	BUY	BUY	BUY	#
Copper	2500Kg	729.00	-1.64	3.35	0.94	24.63	29.99	BUY	BUY	BUY	#
Lead	5MT	187.85	-0.34	3.26	4.69	21.85	22.20	BUY	BUY	BUY	#
Nickel	1500Kg	1492.10	-3.14	4.12	6.27	27.08	29.13	BUY	BUY	BUY	#
Zinc	5MT	253.05	-0.8	3.90	2.57	39.13	26.54	BUY	BUY	BUY	#
LME Alum	25 Tonnes	2895.00	0.24	6.64	11.67	47.82	39.27	BUY	BUY	BUY	#
LME Copp	25,000 Lbs.	9567.00	0.33	2.25	1.81	24.94	31.53	BUY	BUY	BUY	#
LME Lead	5 Tonnes	2281.50	-0.26	0.33	0.28	15.82	18.63	SELL	SELL	SELL	#
LME Nickel	250 Kg	19690.00	-0.15	2.53	7.38	23.05	27.39	BUY	BUY	BUY	#
LME Zinc	5 Tonnes	3074.00	-0.16	3.51	3.47	13.06	22.86	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

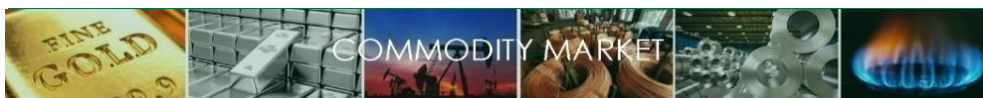
* Domestic Rates are as per closing basis and International rates are as per 8.30am

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Currency Snapshot

Currency	Last	% Cng	
USDINR	73.85	0.24	▲
EURINR	87.00	-0.21	▼
GBPINR	102.06	0.28	▲
JPYINR	67.09	0.07	■
EURUSD	1.1816	0.07	■
GBPUSD	1.3847	0.06	■
USDJPY	110.06	0.06	■
Dollar Index	92.59	-0.03	▼

Indices Snapshot

Indices	Last	Change	
NIFTY	17355.30	-0.08	▼
SENSEX	58177.76	-0.22	▼
HANGSENG	25813.81	-1.50	▼
NIKKEI	30447.37	0.22	■
STRAITS	3075.02	-0.77	▼
CAC 40	6716.23	0.79	▲
DAX	15773.49	1.05	▲
DJIA	34607.72	-0.78	▼
NASDAQ	15115.49	-0.87	▼
JAKARTA	6088.16	-0.11	▼
KOSPI	3127.86	0.07	■

LME Stock Snapshot

Commodity	Stock	Cng
LME Aluminium	1309450	-8275
LME Copper	240350	6400
LME Lead	52475	175
LME Nickel	177078	-2316
LME Zinc	231150	4250

Economical Data

Time	Currency	Data	Fcst	Prev
1:05pm	EUR	German Buba President veldmann Speaks		
3:30pm	USD	NFIB Small Business Index	99	99.7
6:00pm	USD	CPI m/m	0.004	0.005
6:00pm	USD	Core CPI m/m	0.003	0.003

Open Interest Snapshot

Commodity	Last	OI	% Cng	Status
Gold	46908.00	9226	-7.33	Short Covering
Silver	63299.00	11210	4.16	Fresh Selling
Crude	5181.00	4684	-13.19	Short Covering
Nat.Gas	385.30	11713	0.52	Fresh Buying
Aluminium	229.10	2111	-18.53	Long Liquidation
Copper	729.00	3631	-2.86	Long Liquidation
Lead	187.85	1447	-4.49	Long Liquidation
Nickel	1492.10	1545	-35.54	Long Liquidation
Zinc	253.05	1335	-1.48	Long Liquidation

Calendar Spreads Snapshot

Commodity	Near Month	Next Month	Spread	P. Spread	Change
Gold	46908.00	47093.00	185.00	199.00	-14.00
Silver	63299.00	64134.00	835.00	862.00	-27.00
Crude	5181.00	5179.00	-2.00	-3.00	1.00
Nat.Gas	385.30	389.10	3.80	2.90	0.90
Aluminium	229.10	228.30	-0.80	-1.10	0.30
Copper	729.00	728.85	-0.15	-1.10	0.95
Lead	187.85	184.75	-3.10	-2.05	-1.05
Nickel	1492.10	1478.50	-13.60	-16.00	2.40
Zinc	253.05	249.80	-3.25	-2.80	-0.45

Commodity Ratio Snapshot

Commodity	Annual			
	Close	Max	Min	Avg
Gold / Silver Ratio	74.11	100.90	65.55	76.47
Gold / Crude Ratio	9.05	19.58	8.37	13.19
Gold / Copper Ratio	64.35	112.33	59.19	82.16
Silver / Crude Ratio	12.22	25.03	12.18	17.10
Silver / Copper Ratio	86.83	147.81	84.90	106.86
Zinc / Lead Ratio	134.71	141.74	111.81	131.35
Crude / Nat.Gas Ratio	13.45	25.87	10.60	19.61

Commodity Market Daily Trading Levels

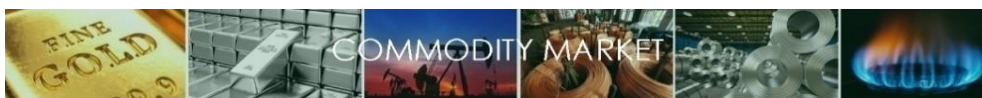
Commodity	Close	Support 3	Support 2	Support 1	Pivot Point	Resist 1	Resist 2	Resist 3	Trend
Gold	46908.00	46492.00	46629.00	46769.00	46906.00	47046.00	47183.00	47323.00	Positive
Silver	63299.00	61597.00	62050.00	62674.00	63127.00	63751.00	64204.00	64828.00	Negative
\$ Gold	1793.27	1783.20	1785.80	1788.50	1791.10	1793.80	1796.40	1799.10	Positive
\$ Silver	23.73	23.60	23.60	23.70	23.70	23.80	23.80	23.90	Negative
Crude oil	5181.00	5056.00	5098.00	5140.00	5182.00	5224.00	5266.00	5308.00	Positive
Natural Gas	385.30	342.80	352.00	368.60	377.80	394.40	403.60	420.20	Positive
\$ Crude oil	70.45	70.15	70.17	70.31	70.33	70.47	70.49	70.63	Positive
\$ Natural Gas	5.2310	4.5670	4.7230	4.9770	5.1330	5.3870	5.5430	5.7970	Positive
Aluminium	229.10	214.50	219.90	224.50	229.90	234.50	239.90	244.50	Negative
Copper	729.00	697.90	711.00	720.00	733.10	742.10	755.20	764.20	Negative
Lead	187.85	184.40	185.60	186.80	188.00	189.20	190.40	191.60	Negative
Nickel	1492.10	1418.60	1450.00	1471.00	1502.40	1523.40	1554.80	1575.80	Negative
Zinc	253.05	247.10	249.20	251.20	253.30	255.30	257.40	259.40	Negative
LME Aluminium	2888.00	2688.67	2773.33	2830.67	2915.33	2972.67	3057.33	3114.67	Negative
LME Copper	9536.00	9136.67	9304.33	9420.17	9587.83	9703.67	9871.33	9987.17	Negative
LME Lead	2287.50	2222.67	2245.83	2266.67	2289.83	2310.67	2333.83	2354.67	Negative
LME Nickel	19720.00	18430.00	18990.00	19355.00	19915.00	20280.00	20840.00	21205.00	Negative
LME Zinc	3079.00	2996.83	3028.67	3053.83	3085.67	3110.83	3142.67	3167.83	Negative

Latest News Update

The UK economy logged weak growth in July as the output remained flat in services, and contracted further in construction on supply shortages, data from the Office for National Statistics showed. Gross domestic product expanded 0.1 percent in July from June, when the economy grew 1 percent. This was also slower than the 0.6 percent growth economists had forecast.

Although the economy expanded for the sixth consecutive month, output remained 2.1 percent below its pre-coronavirus pandemic level. In three months to July, GDP grew 3.6 percent, largely because of the performance of the services sector. However, the expansion was also weaker than the expected rate of 3.8 percent. The rise in COVID-19 cases and the product/labor shortages are probably behind the stalling in the UK's economic recovery in July, Paul Dales, an economist at Capital Economics, said. But the bulk of the drag on activity from product and labor shortages will prove to be temporary.

India's foreign exchange reserve grew \$8.895 billion to reach new record high of \$642.453 billion in the week ended September 3, 2021, showed data shared by Reserve Bank of India (RBI). Foreign currency assets (FCAs) accounted for the bulk of growth during the week, rising \$8.213 billion to \$579.813 billion. Gold reserves increased by \$642 million to \$38.083 billion, RBI data showed. Special Drawing Rights (SDRs) allocation by International Monetary Fund (IMF) grew \$29 million during the week under consideration. SDR holdings are part of the foreign exchange reserves of a country. IMF makes the general SDR allocation to its members in proportion to their existing quotas in the Fund. A SDR allocation of \$17.86 billion had taken the nation's forex kitty to previous record high of \$633.558 billion in the week ended August 27. India's reserve position in IMF rose by \$11 million to \$5.121 billion during the week under consideration.



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MCX GOLD

Technical Chart



Open	High	Low	Close	Net Cng
46927.00	47043.00	46766.00	46908.00	102.00
OI	% OI	Volume	Trend	% Cng
9226.00	-7.33	5378.00	Positive	0.22

Fundamentals

Gold yesterday settled up by 0.22% at 46908 in the run-up to the release of key U.S. economic data including readings on inflation that could dictate the path of Federal Reserve monetary policy. Cleveland Fed President Loretta Mester said she would still like the central bank to begin tapering asset purchases this year, joining a chorus of policymakers stating plans to begin scaling back support despite weaker jobs growth in August. Focus will be on the monthly U.S. consumer price index – the Fed's preferred gauge of inflation – due on Tuesday. Physical gold demand in India was subdued despite a correction in bullion prices, while consumers in most other Asian hubs also stayed on the sidelines as they hoped for a clearer trend in global prices. India's gold premiums over official domestic prices inclusive of the 10.75% import and 3% sales levies unchanged at \$2 an ounce. Gold-backed exchange traded funds (ETF) experienced net outflows in August of 22.4 tonnes, as North American outflows outweighed inflows into European and Asian funds, the World Gold Council (WGC) said. In a report, the WGC said that gold faced headwinds early in August as the dollar briefly strengthened and rising Treasury yields weighed on investment flows, triggering momentum selling shortly thereafter. Technically market is under short covering as market has witnessed drop in open interest by -7.33% to settled at 9226 while prices up 102 rupees, now Gold is getting support at 46769 and below same could see a test of 46629 levels, and resistance is now likely to be seen at 47046, a move above could see prices testing 47183.

Trading Idea for the day

Gold trading range for the day is 46629-47183.

Gold prices rose in the run-up to the release of key U.S. economic data including readings on inflation that could dictate the path of Fed monetary policy.

Fed's Mester said she would still like the central bank to begin tapering asset purchases this year

Focus will be on the monthly U.S. consumer price index the Fed's preferred gauge of inflation due on Tuesday.

MCX SILVER

Technical Chart



Open	High	Low	Close	Net Cng
63474.00	63580.00	62503.00	63299.00	-293.00
OI	% OI	Volume	Trend	% Cng
11210.00	4.16	11750.00	Negative	-0.46

Fundamentals

Silver yesterday settled down by -0.46% at 63299 as dollar seen supported after comments from several Fed officials supported a reduction in stimulus measures this year. Federal Reserve Bank of Philadelphia President Patrick Harker said that he supports moving toward a tapering process sooner rather than later. Investors now await U.S. consumer inflation figures for August this week amid concerns the Federal Reserve and other central banks might move sooner to nudge interest rates up from the ultra-low levels. U.S. wholesale inflation data published late last week showed prices climbed an annual 8.3 percent last month, marking the biggest annual gain since the Labor Department started calculating the 12-month number in 2010. Elsewhere, Japan's wholesale inflation hovered near a 13-year high in August as the country prepares for a leadership transition. This week's trading may also be impacted by some key U.S. economic data, including reports on retail sales, industrial production, import and export prices, consumer sentiment and regional manufacturing activity. Cleveland Federal Reserve Bank President Loretta Mester said that she would still like the central bank to begin tapering asset purchases this year, joining the chorus of policymakers making it clear that their plans to begin scaling back support were not derailed by weaker jobs growth in August. Technically market is under fresh selling as market has witnessed gain in open interest by 4.16% to settled at 11210 while prices down -293 rupees, now Silver is getting support at 62674 and below same could see a test of 62050 levels, and resistance is now likely to be seen at 63751, a move above could see prices testing 64204.

Trading Idea for the day

Silver trading range for the day is 62050-64204.

Silver dropped as dollar seen supported after comments from several Fed officials supported a reduction in stimulus measures this year.

Fed's Patrick Harker said that he supports moving toward a tapering process sooner rather than later.

Investors now await U.S. consumer inflation figures for August this week

MCX CRUDEOIL

Technical Chart



Open	High	Low	Close	Net Cng
5140.00	5224.00	5140.00	5181.00	54.00
OI	% OI	Volume	Trend	% Cng
4684.00	-13.19	54194.00	Positive	1.05

Fundamentals

Crude oil yesterday settled up by 1.05% at 5181 as concerns over U.S. output following damage from Hurricane Ida supported the market, along with expectations for higher demand. About three-quarters of the offshore oil production in the U.S. Gulf of Mexico, or about 1.4 million barrels per day, has remained halted since late August, roughly equal to what OPEC member Nigeria produces. U.S. refiners are coming back faster than oil production from the impact of Hurricane Ida, a reverse of past storm recoveries. However, the number of rigs in operation in the United States grew in the latest week, energy service provider Baker Hughes said, indicating production may rise in coming weeks. Beyond the impact of Ida, market attention will focus this week on potential revisions to the oil demand outlook from the Organization of the Petroleum Operating Countries (OPEC) and the International Energy Agency (IEA) as coronavirus cases continued to rise. Money managers raised their net long U.S. crude futures and options positions in the week to Sept. 7, the U.S. Commodity Futures Trading Commission (CFTC) said. China said it will announce details of planned crude oil sales from strategic reserves in due course. Technically market is under short covering as market has witnessed drop in open interest by -13.19% to settled at 4684 while prices up 54 rupees, now Crude oil is getting support at 5140 and below same could see a test of 5098 levels, and resistance is now likely to be seen at 5224, a move above could see prices testing 5266.

Trading Idea for the day

Crude oil trading range for the day is 5098-5266.

Crude oil rose as concerns over U.S. output following damage from Hurricane Ida supported the market, along with expectations for higher demand.

U.S. refiners are coming back faster than oil production from the impact of Hurricane Ida, a reverse of past storm recoveries.

Money managers raised their net long U.S. crude futures and options positions in the week to Sept. 7, the CFTC said.

MCX NATURALGAS

Technical Chart



Open	High	Low	Close	Net Cng
365.10	387.00	361.20	385.30	20.20
OI	% OI	Volume	Trend	% Cng
11713.00	0.52	121060.00	Positive	5.53

Fundamentals

Nat.Gas yesterday settled up by 5.53% at 385.3 on forecasts for higher demand next week than previously expected, as air conditioning use remains strong in many parts of the country and heating demand starts to pick up in other areas. Prices were climbing as record global gas prices keep demand for U.S. exports high at the same time that more than half of U.S. production in the Gulf of Mexico remains shut-in two weeks after Hurricane Ida hit the Gulf Coast, and U.S. gas inventories, like those in Europe, remain lower than normal heading into the winter heating season when demand for the fuel peaks. With the front-month up about 28% since late August when Ida entered the Gulf of Mexico, gas speculators boosted their net long positions on the NYMEX and Intercontinental Exchange last week for a second week in a row for the first time since early June, according to data from the Commodity Futures Trading Commission (CFTC). Data provider Refinitiv said gas output in the U.S. Lower 48 states has fallen to an average of 90.1 billion cubic feet per day (bcfd) so far in September, from 92.0 bcfd in August, due mostly to Ida-related losses along the Gulf Coast. Refinitiv projected average U.S. gas demand, including exports, would rise from 87.2 bcfd this week to 87.5 bcfd next week. Technically market is under fresh buying as market has witnessed gain in open interest by 0.52% to settled at 11713 while prices up 20.2 rupees, now Natural gas is getting support at 368.6 and below same could see a test of 352 levels, and resistance is now likely to be seen at 394.4, a move above could see prices testing 403.6.

Trading Idea for the day

Natural gas trading range for the day is 352-403.6.

Natural gas rose on forecasts for higher demand next week than previously expected

Prices were climbing as record global gas prices keep demand for U.S. exports high

Further more than half of U.S. production in the Gulf of Mexico remains shut-in two weeks after Hurricane Ida hit the Gulf Coast

MCX COPPER

Technical Chart



Open	High	Low	Close	Net Cng
739.95	746.25	724.10	729.00	-12.15
OI	% OI	Volume	Trend	% Cng
3631.00	-2.86	14281.00	Negative	-1.64

Fundamentals

Copper yesterday settled down by -1.64% at 729 as the dollar climbed as investors continued to price in expectations that the U.S. Federal Reserve could reduce its asset purchases sooner rather than later despite a surge in COVID-19 cases. On the macro front, US headline PPI in August rose 0.7% on the month and surged 8.3% on the year, the greatest YoY growth since its latest correction in November, 2010. The reading showed that the spreading COVID-19 pandemic kept bringing pressure to the supply chain, thus the high inflation rate may stay for a while. In China, the social financing reading in August picked up slightly and was above market estimate, cheering up the overall market. The market differed on the timeline of tapering QE, resulting in uncertainties on the macro front. On the fundamentals, copper inventories continued to fall in China and foreign markets, and copper scrap supply remained tight. China's major copper smelters lifted August refined cathode output by 2.7% from the prior month, encouraged by higher treatment charges and rising prices for byproduct sulphuric acid. Trade data showed imports of unwrought copper and products into China, the world's top copper consumer, were 394,017 tonnes in August, down 7% from July and down 41% year-on-year. Technically market is under long liquidation as market has witnessed drop in open interest by -2.86% to settled at 3631 while prices down -12.15 rupees, now Copper is getting support at 720 and below same could see a test of 711 levels, and resistance is now likely to be seen at 742.1, a move above could see prices testing 755.2.

Trading Idea for the day

Copper trading range for the day is 711-755.2.

Copper prices dropped as investors continued to price in expectations that the Fed could reduce its asset purchases sooner rather than later

US headline PPI in August rose 0.7% on the month and surged 8.3% on the year, the greatest YoY growth since its latest correction in November, 2010.

Copper inventories in ShFE warehouses fell to their lowest since December 2011 to 61,838 tonnes.

MCX ZINC

Technical Chart



Open	High	Low	Close	Net Cng
254.00	255.40	251.35	253.05	-2.05
OI	% OI	Volume	Trend	% Cng
1335.00	-1.48	4321.00	Negative	-0.80

Fundamentals

Zinc yesterday settled down by -0.8% at 253.05 as the downstream purchase is likely to be muted as the 50,000 mt of released government reserves will arrive at the market this week. On the fundamentals, inventories in Shanghai, Guangdong and Tianjin fell 3,100 from Friday September, 10, and the inventory in seven major markets declined 4,000 mt. Zinc stocks across LME-listed warehouses declined 9,325 mt to 226,900 mt last week. The contango of LME cash to 3-month contract rose to \$14.5/mt. The market expects that the FOMC will not propose a gradual reduction in debt purchases in September due to sluggish US data and the spread of Delta virus. At the same time, the European Central Bank's speech is relatively optimistic Zinc ingots output fell 6,300 mt on the month to 508,900 mt in August, far less than the market estimate. Power curtailment in Guangxi was relieved earlier than expected. Operating rates at local smelters reached 80%-90% in September. Zinc ingots output is expected to stand at 520,700 mt in September amid the resumption of production. Export orders of die-casting zinc weakened amid shipping schedule issues and the shortage of containers. Technically market is under long liquidation as market has witnessed drop in open interest by -1.48% to settled at 1335 while prices down -2.05 rupees, now Zinc is getting support at 251.2 and below same could see a test of 249.2 levels, and resistance is now likely to be seen at 255.3, a move above could see prices testing 257.4.

Trading Idea for the day

Zinc trading range for the day is 249.2-257.4.

Zinc prices dropped as the downstream purchase is likely to be muted as the 50,000 mt of released government reserves will arrive at the market

The market expects that the FOMC will not propose a gradual reduction in debt purchases in September due to sluggish US data

Zinc stocks across LME-listed warehouses declined 9,325 mt to 226,900 mt last week.

MCX NICKEL

Technical Chart



Open	High	Low	Close	Net Cng
739.95	746.25	724.10	729.00	-12.15
OI	% OI	Volume	Trend	% Cng
3631.00	-2.86	14281.00	Negative	-1.64

Fundamentals

Nickel yesterday settled down by -3.14% at 1492.1 as nickel stocks in Shanghai rose for the second straight week to 8,608 tonnes, but still hovered near a record low of 4,455 tonnes. The inventory of SHFE nickel warrants rallied, easing market concerns over nickel supply. On the fundamentals, the sales condition in the new energy sector was positive, bringing demand for nickel. The declining inventory of LME nickel warrants will also support nickel prices. However, bearish factors also existed including news of output cut among stainless steel mills, and the less-than-expected production of ferronickel and nickel matte in Indonesia. China's sales of new energy vehicles more than doubled in July, including battery-powered electric vehicles, plug-in petrol-electric hybrids and hydrogen fuel-cell vehicles. Shfe nickel inventories jumped by almost half to their highest since April 16 this year, although they remain at just 8,608 tonnes. China's refined nickel output in August rose 7.6% from the previous month as top producer Jinchuan Group ramped up supply after maintenance. Refined nickel output was 13,317 tonnes last month, which was nonetheless down 7.1% year-on-year as Jilin Jien Nickel became the latest smelter to stop making nickel cathodes and focus on battery material nickel sulphate. Technically market is under long liquidation as market has witnessed drop in open interest by -35.54% to settled at 1545 while prices down -48.4 rupees, now Nickel is getting support at 1471 and below same could see a test of 1450 levels, and resistance is now likely to be seen at 1523.4, a move above could see prices testing 1554.8.

Trading Idea for the day

Nickel trading range for the day is 1450-1554.8.

Nickel prices dropped as nickel stocks in Shanghai rose for the second straight week to 8,608 tonnes

The inventory of SHFE nickel warrants rallied, easing market concerns over nickel supply.

On the fundamentals, the sales condition in the new energy sector was positive, bringing demand for nickel.

MCX ALUMINIUM

Technical Chart



Open	High	Low	Close	Net Cng
254.00	255.40	251.35	253.05	-2.05
OI	% OI	Volume	Trend	% Cng
1335.00	-1.48	4321.00	Negative	-0.80

Fundamentals

Aluminium yesterday settled down by -0.8% at 229.1 on profit booking as the social aluminium inventories in China rose 20,000 mt from last Thursday to 771,000 mt, which indicated that demand has been suppressed by soaring aluminium prices. Output curbs in China, the world's biggest aluminium producer, and political turmoil in Guinea, have boosted aluminium prices by around 50% so far this year. ShFE aluminium inventories fell to 228,529 tonnes, their lowest since December 2020, while stocks of the metal in the LME warehouses have dropped 33% since March to 1.32 million tonnes. Southwest China's Yunnan has told "green" aluminium smelters – those using the province's hydropower as their electricity source – to keep average monthly output for September-December at August volumes or lower, a government document shows. As of August, Yunnan aluminium smelters had already shut down nearly 1 million tonnes of annual capacity due to power curbs, state-backed research house Antaike said earlier this month. The restrictions began in May as the province was hit by a drought that cut its hydropower output. The disruptions to the supply side remained. For example, output in Guangxi and Guizhou fell due to energy consumption control. Technically market is under long liquidation as market has witnessed drop in open interest by -18.53% to settled at 2111 while prices down -1.85 rupees, now Aluminium is getting support at 224.5 and below same could see a test of 219.9 levels, and resistance is now likely to be seen at 234.5, a move above could see prices testing 239.9.

Trading Idea for the day

Aluminium trading range for the day is 219.9-239.9.

Aluminium prices dropped on profit booking as the social aluminium inventories in China rose 20,000 mt

Output curbs in China, and political turmoil in Guinea, have boosted aluminium prices by around 50% so far this year.

China's Yunnan imposes output curbs on aluminium



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