

## Bullion

### Gold

Last week, Spot gold prices rose by 0.6 percent over rising chances of a possible rate cut by the U.S. Federal Reserve. Better than expected U.S. Job data coupled with a sudden increase in the United States consumer inflation weighed on the chances of trimming the interest rate and limited the gains for Gold.

U.S. Federal Reserve latest policy meeting strongly pointed towards a dovish approach which supported Gold. After FED's minutes the Dollar was pressurized as the FED Chair Jerome Powell stated that weakening of U.S. factory data amid rising global trade tension might hamper the U.S. economic growth.

Moreover, falling US treasury yield amid worries over economic slowdown further supported Gold prices.

### Silver

Last week, Spot silver prices ended higher by 1.6 percent to close at \$15.2 per ounce.

On the MCX, silver prices declined by 1.06 percent to close at Rs.36888.0 per kg.

### Outlook

Weakness in the China's economy might further worsen the global scenario and in turn boost the demand for the safe haven asset, Gold.

On the MCX, gold prices are expected to trade higher today; international markets are trading higher by 0.01 percent at \$1412.35 per ounce.

#### Technical Outlook

valid for July 15, 2019

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1404/1398	1416/1422
MCX GOLD AUG'19 (Rs/10GMS)	34800/34650	35100/35250
SPOT SILVER (\$/OZ)	15.05/14.90	15.3/15.5
MCX SILVER SEPT'19 (Rs/KG)	38050/37800	38600/38950

## Market Highlights (% change)

as on July 12, 2019

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	68.6	-0.22	-0.2	1.4	0.3
Euro/\$ (Spot)	1.1	0.15	0.4	-0.1	-3.5
Dollar Index	96.8	-0.2	-0.5	-0.8	21.8
NIFTY	11552.5	-0.26	-2.2	-3.0	6.4
SENSEX	39686.0	2.22	0.4	-0.1	117.0
DJIA	27332.0	0.90	1.5	4.8	9.7
S&P	3013.77	0.5	0.8	4.2	8.6

## Gold (% change)

as on July 12, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1415.5	0.85	1.1	5.5	14.0
Gold (Spot - Mumbai)	34400.0	-0.51	1.1	5.5	13.2
Comex (May'19)	1411.7	0.13	1.1	5.5	13.4
MCX (Jun'19)	34905.0	0.59	0.9	5.9	15.2

(Comex, Gold spot in \$ per ounce, MCX, Gold spot Mumbai in Rs/10 gms) Source: Reuters

## Silver (% change)

as on July 12, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	15.2	0.63	1.6	2.1	-3.4
Silver (Spot - Mumbai)	37800.0	-1.82	0.5	2.7	-4.8
Comex	15.1	-0.53	1.0	1.9	-5.2
MCX Silver	39094.0	0.67	3.1	4.3	-2.6

(Comex in \$ per ounce, MCX, Silver spot in Rs/kg)

Source: Reuters

## Energy

### Crude Oil

Last week, WTI Crude prices surged over 5 percent over falling inventory levels coupled with rising worries of a global supply shortage.

U.S. Crude stockpiles dipped over 9 million barrels which pushed Crude prices higher. U.S. Inventory levels continued to decline for the fourth week straight.

Moreover, cyclone threatened crude production in the Gulf of Mexico amid rising tension from the Middle East. Oil companies in the Gulf of Mexico had to shut over 53 percent of the regions production.

The prolonged trade spat between U.S. & China has shown no signs of easing off. The trade war is its second year now and it continues to hamper the global growth prospects & in turn limited the gains for Crude prices.

### Outlook

Weakness in China's economy might raise further demand concerns for Crude and push the prices lower.

On the MCX, oil prices are expected to trade lower today; international markets are trading lower by 0.38 percent at \$59.98 per barrel.

#### Technical Outlook

valid for July 15, 2019

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	59.2/58.5	60.6/61.3
MCX CRUDE JULY'19 (RS/BBL)	4090/4040	4180/4230
BRENT CRUDE OIL(\$/BBL)	65.9/65.1	67.1/67.9

### Market Highlights - Crude Oil (% change) as on July 12, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	64.9	-5.2	0.1	0.3	-13.4
NYMEX CRUDE	60.2	0.0	4.7	15.2	-14.4
ICE BRENT CRUDE	66.7	0.3	3.9	8.8	-9.1
MCX CRUDE	4053.0	-1.9	3.1	11.3	-17.3

(Brent & NYMEX Crude in \$ per bbl, MCX Crude in Rs/bbl)

Source: Reuters

### Market Highlights - Natural Gas (% change) as on July 12, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.4	1.3	1.8	5.0	-13.5
MCX NG	169.0	2.4	1.1	3.6	-13.4

(NYMEX NG in \$/MMBtu, MCX NG in Rs/MMBtu)

Source: Reuters

## Base Metals

Last week, Base metals on the LME traded positive with Nickel and Lead being the highest gainers amongst the pack. Industrial metal prices rose as the U.S. Dollar depreciated over a dovish approach by the U.S. Federal Reserve which provided some support to the industrial metal prices. Weaker factory activity in US and escalating trade tension between US and China might push the U.S. FED to trim its interest rates in the end of this month.

Rising Zinc output from top metal consumer, China, weighed on the prices. Surge in production by the Chinese smelters might end the deficit which amounted to 97,000 tonnes in the first four months of 2019 as per the International Lead and Zinc Study Group (ILZSG).

The prolonged trade spat between U.S. & China is now in its second year and it has shown no signs of easing. After the two Presidents met at the G20 summit they decided to resume with the trade negotiations which provided some support for the industrial metals. The officials of U.S. and China had a “constructive” phone conversation and now they might consider a face to face meeting. However, an actual deal might take time which restricted the uptrend.

## Copper

Last week, LME Copper prices ended higher by 1.4 percent over depreciating Dollar and resumption of trade talks between U.S. & China.

## Outlook

Weakness in China’s economy which might dampen the demand prospects for Industrial metals.

On the MCX, Copper prices are expected to trade higher today; international markets trading higher by 0.49 percent at \$5987.5 tonne.

### Technical Outlook

valid for July 15, 2019

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER JULY'19	440/437	447/450
MCX ZINC JULY'19	192/190	195.5/197
MCX LEAD JULY'19	155/153	158/159.8
MCX ALUMINIUM JULY'19	141/139	144/145.8
MCX NICKEL JULY'19	925/914	945/953
MCX BRASS JULY'19	322/320	326/328

## Market Highlights – Base Metals (% change) as on July 12, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5935.0	-0.3	0.6	1.3	-3.4
MCX Copper	416.8	-0.4	0.3	7.5	4.6
LME Aluminium (3 month)	1828.0	0.4	1.3	2.4	-11.3
MCX Aluminium	142.8	0.5	0.6	-0.6	0.6
LME Nickel (3 month)	13575.0	3.5	8.9	14.6	-2.7
MCX Nickel	901.3	-1.5	1.7	3.9	-6.0
LME Lead (3 month)	1978.0	0.7	5.4	4.5	-10.3
MCX Lead	154.7	-1.4	1.8	0.2	2.2
LME Zinc (3 month)	2437.0	1.8	1.1	-1.6	-5.0
MCX Zinc	204.5	6.3	5.5	0.3	15.5
MCX Brass	324.0	0.0	0.0	-1.1	-11.2

Source: Reuters

## LME Inventories in tonnes

COMMODITY	12/07/19	11/07/19	CHG	%CHG
COPPER	288200	290000	-1800	-0.62%
ALUMINIUM	926875	934500	-7625	-0.82%
NICKEL	150840	153420	-2580	-1.68%
ZINC	79375	80975	-1600	-1.98%
LEAD	64775	65350	-575	-0.88%

Source: Reuters

## No Economic indicators to be released on 15-Jul-19

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
Empire State Manufacturing Index	US	7:00PM	-	1.6	-8.6	Medium
FOMC Member Williams Speaks	US	7:20PM	-	-	-	Medium

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