

## Bullion

### Gold

On Monday, spot gold prices rose by 0.63 percent to close at \$1497.9 per ounce. Severe attacks at two of the major oil facilities in Saudi led to increase in global tension and pushed the investors towards Gold, the safe haven.

Moreover, global tensions further escalated after China's industrial output grew at its slowest pace in over 17 years in August 2019. Rising tension between U.S. & China amid weakening of domestic demand has hampered the Chinese economy.

Rising expectation of monetary policy easing by major central banks around the globe also provided some support for the yellow metal. Markets will keenly wait for the outcome of the meeting of the U.S. and Japan's Central Banks due on 18<sup>th</sup> September 2019 i.e. tomorrow.

Peace making gestures by both, U.S. & China; dented the appeal for the safe haven asset and limited the gains. The prolonged trade war started to de-escalate as China decided to exempt some of the U.S. anti-cancer drugs and some other goods from its tariffs list. Even President Trump announced its plans to delay any tariff hikes on Chinese products till 15<sup>th</sup> October 2019.

### Silver

On Monday, Spot silver surged over 2.4 percent to close at 17.9 per ounce while MCX silver rose over 3.1 percent to close at Rs.47218.0 per kg.

### Outlook

Surge in tension from the Middle East amid weakness in China's economy might boost the appeal for the safe haven asset and push the prices higher.

On the MCX, gold prices are expected to trade higher today; international markets are trading lower by 0.37 percent to close at \$1505.85per ounce.

#### Technical Outlook

valid for Sep 17, 2019

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1491/1495	1503/1509
MCX GOLD OCT'19 (Rs/10GMS)	38000/37850	38310/38450
SPOT SILVER (\$/OZ)	17.80/17.60	17.95/18.20
MCX SILVER DEC'19 (Rs/KG)	46900/46600	47500/47950

## Market Highlights (% change)

as on Sept 16, 2019

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	71.6	0.83	-0.10	0.58	-1.57
Euro/\$ (Spot)	78.8	0.31	-0.30	-0.27	-7.28
Dollar Index	98.6	0.36	0.22	0.48	4.19
NIFTY	11003.5	-0.65	0.52	-0.40	-2.44
SENSEX	37123.3	-0.70	0.38	-0.61	-0.45
DJIA	27076.8	-0.52	1.04	4.60	3.16

## Gold (% change)

as on Sept 16, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1497.9	0.63	-0.58	-1.05	25.07
Gold (Spot - Mumbai)	37500.0	-0.27	-1.70	0.00	22.75
Comex	1503.1	0.82	-0.21	-0.62	25.59
MCX Gold	38180.0	1.75	-0.97	0.64	23.99

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

## Silver (% change)

as on Sept 16, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	17.9	2.44	-1.71	4.51	26.41
Silver (Spot - Mumbai)	45900.0	-0.86	-2.13	4.56	25.58
Comex	17.9	2.67	-0.37	4.71	27.10
MCX Silver	47218.0	3.18	-1.39	7.74	26.12

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

Source: Reuters

## Energy

### Crude Oil

On Monday, WTI Crude prices surged over 14.6 percent to close at \$62.9 per barrel. The significant movement was seen in the Crude prices after two oil facilities in Saudi (Abqaiq and Khurais) were attacked eliminating about 5.7 million barrels of production.

Saudi which was traditionally considered the world's Crude supplier of last resort might have to suspend its operations to half and raise severe supply concerns for Crude.

However, the gains might be capped due to an evident slowdown in China which is one of the biggest consumers of Crude. China's industrial growth slumped to its weakest levels in over 17 years due to weakening of domestic demand and escalating tension between U.S. & China.

### Outlook

Severe attacks on Saudi's two major oil facilities might lead to global shortage and in turn support Crude. However, slowdown in China might limit the gains.

We expect oil prices to trade higher today, international markets are trading lower by 1.5 percent at \$61.72 per barrel.

#### Technical Outlook

valid for Sep 17, 2019

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	58.90/58.20	61.10/63.50
MCX CRUDE OCT'19 (RS/BBL)	4460/4400	4560/4620
BRENT CRUDE OIL(\$/BBL)	67.20/66.40	67.40/69.40

### Market Highlights - Crude Oil (% change) as on Sept 16, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	69.3	11.54	12.57	17.49	-12.47
NYMEX CRUDE	62.9	14.68	11.29	14.63	-9.95
ICE BRENT CRUDE	69.0	14.61	12.15	17.70	-12.67
MCX CRUDE	4520.0	15.45	11.49	16.02	-10.58

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

Source: Reuters

### Market Highlights - Natural Gas (% change) as on Sept 16, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.7	2.56	7.41	21.86	-8.59
MCX NG	194.6	2.53	5.76	23.40	-7.38

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

Source: Reuters

## Base Metals

On Monday, base metal prices on the LME ended negative with Nickel being the highest loser amongst the pack. Nickel prices continue to decline as speculators trim their position on weaker demand prospects.

The industrial metal prices were pressurized after China posted its slowest growth in Industrial production in over 17 years, dampening the demand prospects for base metals. The prolonged trade war between U.S. & china amid falling domestic demand led to the downfall in the industrial activity. An evident slowdown in China, the biggest metal consumer pushed the prices lower.

## Copper

On Monday, LME Copper prices dipped by 1.75 percent to close at \$5870 per tonne. Weaker auto sales and declining industrial growth signal towards an evident slowdown in China's economy which hampered the red metal prices.

## Outlook

Slowdown in China industrial growth might weigh on the industrial metal prices.

On the MCX, Copper prices are expected to trade lower today; international markets trading lower by 0.24 percent at \$5840.25 per tonne.

### Technical Outlook

valid for Sep 17, 2019

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER SEP'19	452/450	458/461
MCX ZINC SEP'19	185/183.5	187.8/189.2
MCX LEAD SEP'19	154/152.5	157/158.5
MCX ALUMINIUM SEP'19	138/136.5	140.5/142
MCX NICKEL SEP'19	1215/1205	1235/1245
MCX BRASS SEP'19	320/318	323/325

## Market Highlights – Base Metals (% change) as on Sept 16, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5870.0	-1.75	0.63	2.19	-3.55
MCX Copper	456.0	-0.87	0.57	2.23	3.16
LME Aluminium (3 month)	1793.0	-0.94	0.11	0.06	11.89
MCX Aluminium	139.7	-0.11	-0.11	-0.89	-4.22
LME Nickel (3 month)	17370.0	-2.14	-1.78	7.22	40.08
MCX Nickel	1225.8	-1.26	-2.87	7.66	36.49
LME Lead (3 month)	2097.0	-0.43	0.91	2.79	1.08
MCX Lead	155.4	-0.35	0.00	1.40	3.57
LME Zinc (3 month)	2365.0	-0.84	1.59	4.60	0.68
MCX Zinc	186.3	-0.75	0.78	1.50	8.41

Source: Reuters

## LME Inventories in tonnes

COMMODITY	13/09/19	12/09/19	CHG	%CHG
COPPER	299750	305225	-5475	-1.79%
ALUMINIUM	913625	916000	-2375	-0.26%
NICKEL	156420	156672	-252	-0.16%
ZINC	62950	63425	-475	-0.75%
LEAD	76075	76200	-125	-0.16%

Source: Reuters

### Economic indicators to be released on 17-Sep-19

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
German ZEW Economic Sentiment	EUR	3:30PM	-	-38.0	-44.1	Medium

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