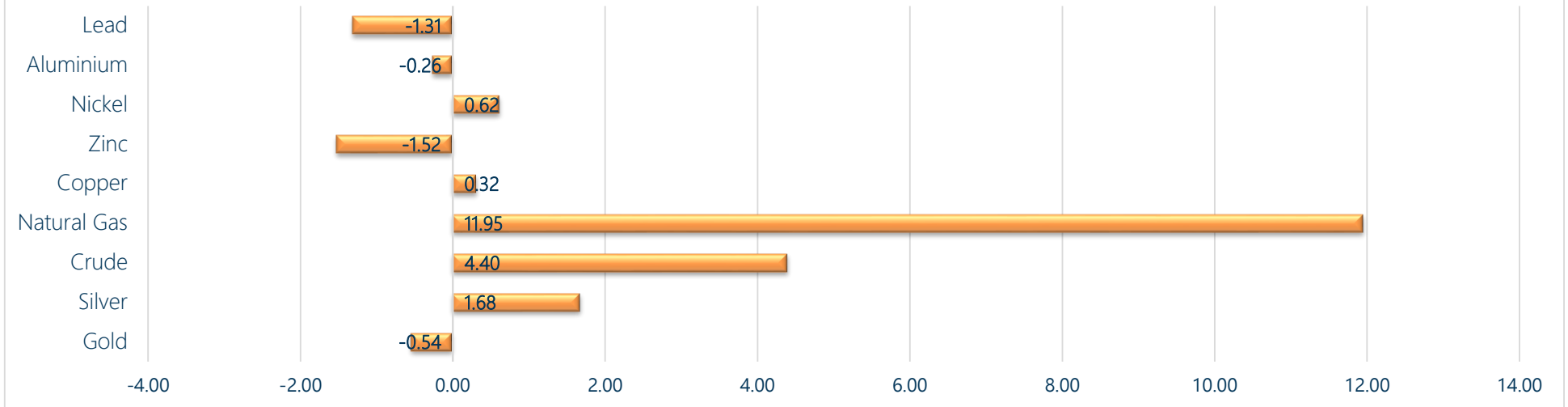




MCX Commodities Week-on-week pct change



Source: Kedia Commodity

| Commodity | Closed | % Change |
|-------------|----------|----------|
| Gold | 48046.00 | -0.54 |
| Silver | 49177.00 | 1.68 |
| Crude | 3034.00 | 4.40 |
| Natural Gas | 132.10 | 11.95 |
| Copper | 459.10 | 0.32 |
| Zinc | 162.05 | -1.52 |
| Nickel | 976.70 | 0.62 |
| Aluminium | 136.60 | -0.26 |
| Lead | 143.15 | -1.31 |



Bullion Complex

Last week, gold dropped as pressure seen after data showing a recovery in China's services sector and a record addition of jobs to the U.S. economy in June. Central bank easing policies and uncertainty surrounding the second wave (of COVID-19) are sustaining gold prices. Indicative of sentiment, holdings of the SPDR Gold Trust, rose 0.8% to 1,191.47 tonnes. Physical gold demand in top consumers China and India continued to struggle due to the COVID-19 pandemic.

With interest rates expected to remain at near-zero levels for the foreseeable future, the minutes of the Federal Reserve's June meeting showed participants discussed new tools for conducting monetary policy. The minutes showed the meeting included briefings on the roles of forward guidance and large-scale asset purchase programs as well as implementing yield curve control. In their discussion of forward guidance and large-scale asset purchases, various participants noted the economy is likely to need support for some time and that it will be important for the Fed to provide greater clarity regarding the likely path of interest rates and asset purchases.

The Labor Department's closely watched monthly employment report showed the U.S. economy added more jobs than expected in June to set a second consecutive record. Non-farm payroll employment skyrocketed by 4.8 million jobs in June after soaring by an upwardly revised 2.7 million jobs in May. Meanwhile, massive rehiring sent the jobless rate down to 11.1 percent from 13.3 percent in May. Data out of China showed that China's services sector expanded at the fastest pace in over a decade in June.

Physical gold demand in top consumers China and India continued to struggle due to the COVID-19 pandemic this week, while investment activity ticked up in Singapore and Japan. Chinese discounts rose to \$20-\$25 an ounce over benchmark spot prices from \$10-\$20 last week. In Hong Kong, gold was sold at \$0.50 an ounce discounts to a \$0.50 premium. China's May net gold imports via Hong Kong fell below exports for the second straight month in May as domestic supply remained abundant. In India, Discounts rose to about \$22 an ounce over official prices, including a 12.5% import and 3% sales taxes, from \$18 last week. India's gold imports plunged 86% year-on-year in June amid coronavirus lockdowns.

The Perth Mint's sales of gold products declined 30% in June from a month earlier, while silver sales surged nearly 58. Sales of gold coins and minted bars last month fell to 44,371 ounces from 63,393 in May, when the sales halved. The slide in gold sales came in the wake of the mint's announcement last month that it would stop processing metal from artisanal and small-scale miners following allegations that it took gold dug in Papua New Guinea using child labour and toxic mercury. Meanwhile, sales of silver coins in June rose to 1,573,752 ounces from 997,171 the month before, and more than trebled from the corresponding period last year.



Bullion Complex



| Market View | | |
|----------------|-------|------------------------|
| Open | 48365 | Margin 5.25 |
| High | 48982 | Margin (Rs.) 253916.25 |
| Low | 47606 | Volume 66732 |
| Close | 48046 | Prev Volume 72035 |
| Previous Close | 48046 | Cng in Volume -5303 |
| Value Change | -259 | Open Interest 11204 |
| % Change | -0.54 | Cng in OI -2316 |

Action for Week

SELL GOLD @ 48400 SL 49000 TGT 47700-47250



| Market View | | |
|----------------|-------|----------------------|
| Open | 49445 | Margin 5.80 |
| High | 50891 | Margin (Rs.) 86034.3 |
| Low | 48450 | Volume 150798 |
| Close | 49177 | Prev Volume 166916 |
| Previous Close | 49177 | Cng in Volume -16118 |
| Value Change | 812 | Open Interest 9667 |
| % Change | 1.68 | Cng in OI 5606 |

Action for Week

SELL SILVER @49500 SL 50400 TGT 48400-47500



Energy

Crude prices gains amid hopes of a V-shaped recovery in the world's largest economy after data showed a rebound in the U.S. job market accelerated in early June. Gasoline demand will be closely watched as the United States heads into its July 4 holiday weekend as many Americans are expected to hit the road. U.S. gasoline stocks rose by 1.2 million barrels in the week to June 26, according to data from the Energy Information Administration.

Goldman Sachs said a pick-up in commuting, a shift to private transportation and government efforts to improve economies with higher infrastructure spending should help global oil demand return to pre-coronavirus levels by 2022. Demand is expected to fall by 8% this year, before rebounding 6% in 2021 and fully recovering to pre-pandemic levels by 2022. Venezuela's oil exports slumped in June to their lowest level since 1943 after half a dozen tankers, looking to avoid the threat of U.S. sanctions, sailed away from the nation's waters without loading.

Russian Energy Minister Alexander Novak said that the OPEC+ group of oil producers is expected to start easing oil output cuts from August as previously agreed. He also said the global oil market might achieve a balance between supply and demand in July and could even face a shortage of crude, while oil consumption may not recover to pre-crisis levels before the end of 2021. OPEC+, including Russia, agreed to reduce their combined oil output by around 9.7 million barrels per day, or some 10% of global consumption, to tackle the fallout from the coronavirus pandemic.

Natural gas ended with gains after a federal report showed a smaller-than-expected storage build last week amid greater demand for cooling as the weather turned hotter in the United States. The U.S. Energy Information Administration said U.S. utilities injected 65 billion cubic feet (bcf) of natural gas into storage last week, lower than the 78 bcf forecasted.

Prolonged lockdowns to curb the spread of the coronavirus have kept many businesses shut, cutting U.S. LNG exports by half since the start of the year, with stockpiles filling fast and expected to reach a record 4.1 trillion cubic feet by the end of October. Weather forecasts pointed toward a hot summer, with Refinitiv data indicating 248 cooling degree days (CDDs) in the Lower 48 states over the next two weeks.



Energy Charts



| Market View | | |
|----------------|------|----------------------|
| Open | 2878 | Margin 8.13 |
| High | 3072 | Margin (Rs.) 23398 |
| Low | 2838 | Volume 578779 |
| Close | 3034 | Prev Volume 646435 |
| Previous Close | 3034 | Cng in Volume -67656 |
| Value Change | 128 | Open Interest 2067 |
| % Change | 4.40 | Cng in OI 256 |

Action for Week

SELL CRUDEOIL @ 3080 SL 3220 TGT 2920-2820



| Market View | | |
|----------------|--------|----------------------|
| Open | 119.00 | Margin 8.18 |
| High | 135.40 | Margin (Rs.) 12168 |
| Low | 119.00 | Volume 958127 |
| Close | 132.10 | Prev Volume 626102 |
| Previous Close | 132.10 | Cng in Volume 332025 |
| Value Change | 14.10 | Open Interest 12731 |
| % Change | 11.95 | Cng in OI -10022 |

Action for Week

BUY NAT GAS @ 130 SL 122 TGT 138-146



Base Metals

Copper settled flat as the world's top miner of the metal said output was holding steady despite of concerns over supply from Chile. Pressure also seen as speculators bet a rally had extended too far with demand in China likely to struggle and after new coronavirus cases in the United States hit record levels. BHP Group said it would ramp down activity at its Cerro Colorado copper mine in Chile. The mine produced 71,700 tonnes of copper in 2019, accounting for about 1.2% of Chile's total.

China's top copper smelters cut their floor treatment and refining charges (TC/RCs) for copper concentrate in the third quarter by 3.6% from a year ago, according to two people with knowledge of the matter, amid concerns over tight supplies. The China Smelters Purchase Team (CSPT) set the treatment charge floor at \$53 per tonne and the refining charge floor at 5.3 cents per pound. That compared to \$55 per tonne and 5.5 cents per pound for the third quarter of 2019.

Zinc prices dropped amid growing Sino-U.S. tensions and a worrying surge in coronavirus cases. Weakening consumption, easing ore supply tightness and expectations of greater supply with smelters recovering or ramping up production also weighed on prices. A slump in global manufacturing showed signs of easing in June as a rebound in Chinese and U.S. activity offered some hope the world's two largest economies may have passed the worst of the devastation caused by the novel coronavirus, while the collapse in European factory activity abated.

Zinc inventories in China resumed decline this week, as arrivals reduced and as demand recovered in some regions on smaller spot premiums. Data showed that social inventories of refined zinc ingots across Shanghai, Tianjin, Guangdong, Jiangsu, Zhejiang, Shandong and Hebei decreased 1,800 mt from last Wednesday June 24 to 216,600 mt as of Friday July 3, after an increase of 900 mt in the previous week. Notably, the stocks dropped 7,300 mt from Monday June 29, primarily propelled by a sharp decline in Tianjin as smelters scaled back shipments to social warehouses there after active deliveries last week.

Nickel prices remained supported on robust U.S. payrolls data and a brisk pickup in Chinese service sector activity. Positive news around a potential coronavirus vaccine also helped elevate investor sentiment. In China, a private survey showed that China's services sector showed it growing at its fastest pace in over a decade in June, with the Caixin/Markit services purchasing managers' index (PMI) coming in at 58.4 for the month.

Base Metals Charts



| Market View | | |
|----------------|--------|--------------------|
| Open | 459.00 | Margin 6.39 |
| High | 469.40 | Margin (Rs.) 29330 |
| Low | 457.50 | Volume 83007 |
| Close | 459.10 | Prev Volume 80524 |
| Previous Close | 459.10 | Cng in Volume 2483 |
| Value Change | 1.45 | Open Interest 4716 |
| % Change | 0.32 | Cng in OI 217 |

Action for Week

SELL COPPER @ 466 SL 474 TGT 458-452



| Market View | | |
|----------------|--------|--------------------|
| Open | 164.00 | Margin 10.33 |
| High | 165.70 | Margin (Rs.) 84706 |
| Low | 161.50 | Volume 40043 |
| Close | 162.05 | Prev Volume 38595 |
| Previous Close | 162.05 | Cng in Volume 1448 |
| Value Change | -2.50 | Open Interest 1687 |
| % Change | -1.52 | Cng in OI 54 |

Action for Week

SELL ZINC @ 164 SL 168 TGT 160-157.50



Weekly Market Update

Monday, July 6, 2020

| Commodity | Close | % Change | Volume | % Volume | OI | % Chg Oi | OI Status |
|--------------------|----------|----------|--------|----------|-------|----------|------------------|
| Bullion | | | | | | | |
| Gold | 48046.00 | -0.54 | 66732 | -7.36 | 11204 | -17.13 | Long Liquidation |
| Silver | 49177.00 | 1.68 | 150798 | -9.66 | 9667 | 138.04 | Fresh Buying |
| Energy | | | | | | | |
| Crude Oil | 3034.00 | 4.40 | 578779 | -10.47 | 2067 | 14.14 | Fresh Buying |
| Natural Gas | 132.10 | 11.95 | 958127 | 53.03 | 12731 | -44.05 | Short covering |
| Base metals | | | | | | | |
| Copper | 459.10 | 0.32 | 83007 | 3.08 | 4716 | 4.82 | Fresh Buying |
| Zinc | 162.05 | -1.52 | 40043 | 3.75 | 1687 | 3.31 | Fresh Selling |
| Nickel | 976.70 | 0.62 | 57738 | 10.96 | 1171 | 1.56 | Fresh Buying |
| Lead | 143.15 | -1.31 | 16593 | 13.43 | 708 | 30.39 | Fresh Selling |
| Aluminium | 136.60 | -0.26 | 7236 | -2.33 | 957 | 28.46 | Fresh Selling |



Weekly Market Level for Bullion, Basemetal & Energy

| Commodity | GOLD | SILVER | CRUDE | NAT.GAS | COPPER | ZINC | NICKEL | ALUMINUM | LEAD |
|-------------------|--------------|--------------|-----------------|-----------------|---------------|---------------|-----------------|---------------|---------------|
| CLOSE | 48046 | 49177 | 3034 | 132.1 | 459.10 | 162.05 | 976.70 | 136.60 | 143.15 |
| RESISTANCE | 50192.00 | 53003.00 | 3358.00 | 155.06 | 478.40 | 168.86 | 1007.00 | 140.15 | 150.00 |
| | 49587.00 | 51947.00 | 3215.00 | 145.23 | 473.90 | 167.28 | 996.00 | 139.40 | 148.00 |
| | 48816.00 | 50562.00 | 3124.00 | 138.66 | 466.50 | 164.66 | 986.30 | 138.00 | 146.00 |
| P. POINT | 48211 | 49506 | 2981 | 128.8 | 462.0 | 163.1 | 975.4 | 137.3 | 144.0 |
| SUPPORT | 47440.00 | 48121.00 | 2890.00 | 122.26 | 454.60 | 160.46 | 965.80 | 135.85 | 142.00 |
| | 46835.00 | 47065.00 | 2747.00 | 112.43 | 450.10 | 158.88 | 954.90 | 135.10 | 140.00 |
| | 46064.00 | 45680.00 | 2656.00 | 105.86 | 442.70 | 156.26 | 945.30 | 133.70 | 138.00 |
| Trend | WEAK | WEAK | POSITIVE | POSITIVE | WEAK | WEAK | POSITIVE | WEAK | WEAK |

Weekly Economical Data's

| Date | Time | Curr. | Data |
|-------|-----------|-------|----------------------------------|
| 6-Jul | 11:30am | EUR | German Factory Orders m/m |
| 6-Jul | 2:00pm | EUR | Sentix Investor Confidence |
| 6-Jul | 2:30pm | EUR | Retail Sales m/m |
| 6-Jul | 7:15pm | USD | Final Services PMI |
| 6-Jul | 7:30pm | USD | ISM Non-Manufacturing PMI |
| 7-Jul | 11:30am | EUR | German Industrial Production m/m |
| 7-Jul | 12:15pm | EUR | French Trade Balance |
| 7-Jul | 1:30pm | EUR | Italian Retail Sales m/m |
| 7-Jul | 7:30pm | USD | IBD/TIPP Economic Optimism |
| 7-Jul | 7:30pm | USD | JOLTS Job Openings |
| 7-Jul | 10:30pm | USD | FOMC Member Quarles Speaks |
| 8-Jul | Tentative | EUR | EU Economic Forecasts |
| 8-Jul | 8:00pm | USD | Crude Oil Inventories |
| 8-Jul | 10:31pm | USD | 10-y Bond Auction |
| 9-Jul | 12:30am | USD | Consumer Credit m/m |
| 9-Jul | 11:30am | EUR | German Trade Balance |
| 9-Jul | All Day | EUR | Eurogroup Meetings |

| Date | Time | Curr. | Data |
|--------|---------|-------|-----------------------------------|
| 9-Jul | 6:00pm | USD | Unemployment Claims |
| 9-Jul | 7:30pm | USD | Final Wholesale Inventories m/m |
| 9-Jul | 8:00pm | USD | Natural Gas Storage |
| 9-Jul | 10:31pm | USD | 30-y Bond Auction |
| 10-Jul | 12:15pm | EUR | French Industrial Production m/m |
| 10-Jul | 1:30pm | EUR | Italian Industrial Production m/m |
| 10-Jul | 6:00pm | USD | Core PPI m/m |
| 10-Jul | 6:00pm | USD | PPI m/m |

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