

06 January 2018

- Natural-gas prices sank as cold weather contributed to a decline of supplies less than expected. February natural gas fell 5.35% to \$2.795 per million British thermal units. The U.S. Energy Information Administration reported that domestic supplies of natural gas fell by 206 billion cubic feet for the week ended Dec. 29. Total stocks now stand at 3.126 trillion cubic feet, down 192 billion cubic feet from the year ago and five-year averages, government data showed. MCX Natural Gas January expiry closed at Rs. 177.10 per British thermal unit, down 6.64%.
- China's official manufacturing PMI dipped to 51.6 in December, down from 51.8 in November. Non-manufacturing PMI rose to 55 from 54.8 in November.
- China's Caixin PMI for the factory sector rose to 51.5 in December from 50.8 in November.
- China Caixin services sector continued to expand in December, with a PMI score of 53.9. That's up from 51.9 in November. Also, the composite index came in at 53.0 - up from 51.6 in the previous month.
- U.S. initial jobless claims edged up to 250,000 in the week ended December 30th, an increase of 3,000 from the previous week's revised level of 247,000. Continuing claims fell by 37,000 to 1.914 million in the week ended December 23rd.
- U.S. trade deficit widened to \$50.5 billion in November from a revised \$48.9 billion in October.
- U.S. non-farm payroll employment climbed by 148,000 jobs in December after spiking by an upwardly revised 252,000 jobs in November. Additionally, the private sector created fewer of the new job contracts than expected in December with a total of 146,000. November's number was revised to an increase of 239,000 private nonfarm payrolls, from the prior reading of the destruction of 221,000 jobs. The unemployment rate came in at 4.1% in December, unchanged from the two previous month
- U.S. ISM said that its non-manufacturing index dropped to 55.9 in December after falling to 57.4 in November.
- U.S. factory orders surged up by 1.3% in November after rising by an upwardly revised 0.4% in October.
- U.S. ADP said employment in the private sector surged up by 250,000 jobs in December after climbing by a downwardly revised 185,000 jobs in November.
- U.S. total vehicle sales ended 2017 with a strong December on a seasonally adjusted basis, although results were below same-month 2016's blowout totals. December's 17.8 million-unit SAAR was higher than November's 17.4 million but below like-2016's 18.1 million - a 15-year high for the month.
- U.S. ISM said its purchasing managers index rose to 59.7 in December from 58.2 in November.
- The American Petroleum Institute reported that U.S. crude supplies fell by 5 million barrels for the week ended Dec. 29. The API data showed a rise of 1.9 million barrels in gasoline stockpiles, while inventories of distillates climbed by 4.3 million barrels.
- The U.S. Energy Information Administration showed that domestic crude supplies fell by 7.4 million barrels for the week ended Dec. 29. The EIA report also said gasoline stockpiles climbed by 4.8 million barrels for the week, while distillate stockpiles jumped up by 8.9 million barrels.
- U.K. IHS Markit/CIPS manufacturing PMI fell to 56.3 in December from November's 51-month high of 58.2.
- Eurozone inflation eased marginally to 1.4% in December from 1.5% in November. Core inflation held steady at 0.9% in December.
- Eurozone factory PMI improved to 60.6 in December, from 60.1 in November.
- Germany's unemployment declined 29,000 in December from November. The unemployment rate remained at a record low 5.5% in December. The rate for November was revised down from 5.6%.
- Germany's retail sales climbed 4.4% year-on-year in November, reversing a revised 0.9% drop in October. On a monthly basis, retail turnover advanced 2.3%, in contrast to October's 1% decrease.
- Germany's composite PMI climbed to an 80-month high of 58.9 from 57.3 in the previous month. At the same time, the services PMI improved to 55.8, from 54.3 in November.
- French consumer sentiment index climbed to 105 in December from 103 in November.
- France's factory PMI rose to 58.8 in December from 57.7 in November.
- France's composite PMI fell to 59.6 from 60.3 in November. Similarly, the final services PMI slid to 59.1 from 60.4 a month ago.
- Brazil's unemployment rate dropped to 12% in the three months to November from 12.2% in the quarter to October.
- Brazil's manufacturing PMI fell to 52.4 in December from November's 81-month peak of 53.5.
- India's annual infrastructure output grew 4.7% in October from a year ago, the growth in output compares with a downwardly revised 4.7% year-on-year growth in September. During April-October, the annual output growth was 3.5%, data showed.
- India's eight core sectors grew by 6.8% in November 2017 from 5% in October. Cumulatively, the growth in the eight core sectors during April-November this fiscal slowed to 3.9% as against 5.3% in the same period last fiscal.
- India's Nikkei manufacturing PMI climbed to 54.7 in December from 52.6 in November.
- India's seasonally adjusted Nikkei India composite output index climbed to 53.0 in December from 50.3 in November. The headline services PMI rose to 50.9 in December from 48.5 in the previous month.
- India's external debt reached USD 495.7 billion at the end of September quarter, up 5.1% over end-March 2017. On a sequential basis, total external debt at end- September 2017 increased by USD 10 billion (2.1 per cent) from the end-June 2017 level.

06 January 2018

PRECIOUS METALS

| Precious Metals | 05 - Jan -18 | 29 - Dec -17 | % Change |
|------------------|--------------|--------------|----------|
| Gold Feb MCX | 29217 | 29156 | 0.21 |
| Gold Feb Comex | 1322 | 1309 | 0.99 |
| Silver Mar MCX | 39253 | 39237 | 0.04 |
| Silver Mar Comex | 17.285 | 17.145 | 0.82 |

| Name of the ETF | Holdings In Tonnes As | | |
|----------------------|-----------------------|--------------|-------|
| | 05 - Jan -18 | 29 - Dec -17 | %Ch |
| SPDR Gold ETF | 834.86 | 837.50 | -0.32 |
| iShares Silver Trust | 9904.09 | 9972.70 | -0.69 |

| Precious Metals | Contract | LTP | Sup-3 | Sup-2 | Sup-1 | Pivot Point | Res -1 | Res -2 | Res -3 |
|-----------------|----------|--------|--------|--------|--------|-------------|--------|--------|--------|
| Gold – MCX | Feb-18 | 29217 | 28868 | 28964 | 29091 | 29187 | 29314 | 29410 | 29537 |
| Gold – COMEX | Feb-18 | 1322 | 1286 | 1295 | 1309 | 1318 | 1332 | 1341 | 1354 |
| Silver – MCX | Mar-18 | 39253 | 38506 | 38703 | 38978 | 39175 | 39450 | 39647 | 39922 |
| Silver – COMEX | Mar-18 | 17.285 | 16.732 | 16.858 | 17.072 | 17.198 | 17.412 | 17.538 | 17.752 |

| Precious Metals | Moving Avg | Contract | Cls Pr | MA5 | MA10 | MA20 | MA50 | MA100 | MA200 |
|-----------------|-------------|----------|--------|--------|--------|--------|--------|--------|--------|
| Gold – MCX | Simple | Feb-18 | 29217 | 29194 | 29054 | 28714 | 29084 | 29374 | 28994 |
| | Exponential | | | 29174 | 29054 | 28954 | 29044 | 29114 | 29024 |
| Gold – COMEX | Simple | Feb-18 | 1322 | 1320 | 1312 | 1290 | 1282 | 1286 | 1278 |
| | Exponential | | | 1318 | 1310 | 1299 | 1287 | 1283 | 1275 |
| Silver – MCX | Simple | Mar-18 | 39253 | 39244 | 38924 | 38074 | 38644 | 39294 | 39274 |
| | Exponential | | | 39184 | 38884 | 38554 | 38634 | 38934 | 39354 |
| Silver – COMEX | Simple | Mar-18 | 17.285 | 17.216 | 17.101 | 16.668 | 16.641 | 16.845 | 16.849 |
| | Exponential | | | 17.197 | 17.043 | 16.843 | 16.711 | 16.756 | 16.912 |

BASE METALS

| BASE METAL | 05 - Jan -18 | 29 - Dec -17 | Change |
|-------------------|--------------|--------------|--------|
| Aluminium Jan MCX | 139.20 | 144.95 | -3.97 |
| Copper Feb MCX | 452.50 | 466.00 | -2.90 |
| Nickel Jan MCX | 794.30 | 819.10 | -3.03 |
| Lead Jan MCX | 161.90 | 160.05 | 1.16 |
| Zinc Jan MCX | 213.80 | 212.60 | 0.56 |

| LME Inventories Data | | | |
|----------------------|-------------|--------------|--------|
| Base Metals | 05- Jan -18 | 29 - Dec -17 | Change |
| Aluminum | 1099475 | 1101925 | -0.22% |
| Copper | 203850 | 201725 | 1.05% |
| Nickel | 365070 | 367776 | -0.74% |
| Lead | 141925 | 142250 | -0.23% |
| Zinc | 180325 | 182050 | -0.95% |

| BASE METAL | Contract | Cls Pr | Sup-3 | Sup-2 | Sup-1 | Pivot Point | Res -1 | Res -2 | Res -3 |
|------------|----------|--------|--------|--------|--------|-------------|--------|--------|--------|
| Aluminum | Jan-18 | 139.20 | 130.50 | 134.80 | 137.00 | 141.20 | 143.40 | 147.70 | 149.90 |
| Copper | Feb-18 | 452.50 | 431.40 | 441.73 | 447.10 | 457.50 | 462.90 | 473.20 | 478.60 |
| Nickel | Jan-18 | 794.30 | 749.00 | 766.60 | 780.40 | 798.00 | 811.80 | 829.40 | 843.20 |
| Lead | Jan-18 | 161.90 | 154.00 | 156.70 | 159.30 | 161.90 | 164.50 | 167.20 | 169.80 |
| Zinc | Jan-18 | 213.80 | 207.10 | 209.10 | 211.50 | 213.50 | 215.80 | 217.80 | 220.20 |

| BASE METAL | Moving Avg | Contract | Cls Pr | MA5 | MA10 | MA20 | MA50 | MA100 | MA200 |
|----------------|-------------|----------|--------|--------|--------|--------|--------|--------|--------|
| Copper – MCX | Simple | Feb-18 | 452.50 | 458.60 | 461.90 | 452.10 | 446.30 | 441.30 | 409.90 |
| | Exponential | | | 457.50 | 457.80 | 454.20 | 447.40 | 437.50 | 423.40 |
| Copper – COMEX | Simple | Mar-18 | 3.230 | 3.229 | 3.253 | 3.207 | 3.117 | 3.083 | 2.927 |
| | Exponential | | | 3.235 | 3.230 | 3.204 | 3.140 | 3.071 | 2.958 |

06 January 2018

ENERGY

| ENERGY | 05 - January -18 | 29 - December -17 | Change |
|---------------------------|------------------|-------------------|--------|
| Crude Oil Jan MCX | 3887 | 3850 | 0.96 |
| Crude Nymex Feb | 61.44 | 60.42 | 1.69 |
| Natural Gas Jan MCX | 177.10 | 189.70 | -6.64 |
| Natural Gas Henry Hub Feb | 2.795 | 2.953 | -5.35 |

| ENERGY | Contract | Cls Pr | Sup - 3 | Sup - 2 | Sup - 1 | Pivot Point | Res - 1 | Res - 2 | Res - 3 |
|---------------------|----------|--------|---------|---------|---------|-------------|---------|---------|---------|
| Crude Oil – MCX | Jan-18 | 3887 | 3628 | 3705 | 3796 | 3873 | 3964 | 4041 | 4132 |
| Crude Oil – NYMEX | Feb-18 | 61.44 | 60.66 | 61.13 | 61.28 | 61.75 | 61.90 | 62.37 | 62.52 |
| Natural Gas – MCX | Jan-18 | 177.10 | 147.30 | 161.00 | 169.10 | 182.80 | 190.90 | 204.60 | 212.70 |
| Natural Gas – COMEX | Feb-18 | 2.795 | 2.311 | 2.528 | 2.662 | 2.879 | 3.013 | 3.230 | 3.364 |

| ENERGY | Moving Avg | Contract | Cls Pr | MA5 | MA10 | MA20 | MA50 | MA100 | MA200 |
|-------------------|-------------|----------|--------|--------|--------|--------|--------|--------|--------|
| Crude Oil – MCX | Simple | Jan-18 | 3887 | 3873 | 3842 | 3766 | 3706 | 3463 | 3281 |
| | Exponential | | | 3877 | 3835 | 3792 | 3681 | 3536 | 3429 |
| Crude Oil–NYMEX | Simple | Feb-18 | 61.44 | 61.65 | 60.88 | 59.43 | 58.08 | 54.99 | 51.11 |
| | Exponential | | | 61.38 | 60.79 | 59.95 | 57.93 | 55.54 | 53.19 |
| Natural Gas – MCX | Simple | Jan-18 | 177.10 | 187.60 | 183.10 | 178.60 | 189.40 | 190.70 | 194.60 |
| | Exponential | | | 184.10 | 183.40 | 182.90 | 186.30 | 189.60 | 195.40 |
| Natural Gas–COMEX | Simple | Feb-18 | 2.795 | 2.874 | 2.911 | 2.789 | 2.910 | 2.940 | 2.963 |
| | Exponential | | | 2.873 | 2.861 | 2.852 | 2.876 | 2.916 | 2.963 |

OUTLOOK

PRECIOUS METALS: Likely to remain range-bound. Trade tracking support and resistance.

BASE METALS: Likely to remain range-bound. Trade tracking support and resistance.

ENERGY: Likely to remain range-bound with positive bias. Trade tracking support and resistance.

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