

## Bullion

### Gold

Last week, spot gold prices declined by 1% while MCX gold prices declined by 1.2 percent.

Upbeat sentiment on equities and positive U.S. growth data dented the appeal of the safe-haven asset, though the metal was still stuck in its narrowest monthly range in 12 years. The U.S. dollar also held firm after U.S. jobless and consumer spending data, taking support from Wednesday's uplift on third-quarter U.S. economic growth.

U.S. Federal Reserve chair nominee Jerome Powell told the Senate Banking Committee at his confirmation hearing that the Fed was likely to raise interest rates in its December meeting. Powell, who aims to succeed current chair Janet Yellen and her predecessor Ben Bernanke, said the Fed should "respond decisively" to any new economic crisis.

On the MCX, gold prices declined 0.4 percent to close at Rs.29395 per 10 gms.

### Silver

Silver prices dipped to an eight-week low, falling by 3.2 percent to close at \$16.4 per ounce. Prices declined in tandem with other industrial metals. Besides profit booking also led to the correction in the counter.

On the MCX, silver prices declined 4.2 percent to close at Rs.37582 per kg.

### Outlook

Strong economic data from the US, upbeat sentiment on equities and probable rate hike in US FOMC December meeting are factors weighing on the yellow metal.

On the MCX, gold prices are expected to trade lower today, international markets are trading lower at \$1275 per ounce.

Technical Outlook valid for December 4, 2017

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1271/1264	1282/1288
MCX GOLD FEB'17 (Rs/10GMS)	29250/29100	29500/29650
NCDEX GOLD HEDGE JAN'17 (Rs/KG)	26470/26340	26690/26830
SPOT SILVER (\$/OZ)	16.30/16.00	16.60/16.80
MCX SILVER MAR'17 (Rs/KG)	38100/37600	38800/39200

## Market Highlights (% change) as on Dec 1, 2017

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	64.5	-0.05	0.2	0.1	5.4
Euro/(Spot)	1.2	-0.11	-0.3	2.3	11.4
Dollar Index	92.9	-0.2	0.1	-2.2	16.9
NIFTY	10121.8	-1.02	-2.6	-3.1	24.5
SENSEX	32832.9	-0.95	-2.5	-2.3	79.5
DJIA	24231.6	-0.17	2.9	2.9	26.4
S&P	2642.22	-0.2	1.5	2.4	20.5

## Gold (% change) as on Dec 1, 2017

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
GOLD (SPOT)	1280.2	0.46	-0.6	0.5	8.8
GOLD (SPOT - MUMBAI)	29200.0	-0.17	-0.8	0.0	3.5
COMEX	1273.5	-0.41	-1.6	-0.5	9.1
MCX(FEB'17)	29395.0	0.85	-0.4	0.2	4.6

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

## Gold Options (Dec'17) as on Dec 1, 2017

COMMODITY	OPEN	HIGH	LOW	CLOSE	CHG
MCX GOLD (CALL@30000)	80.00	140.00	75.00	137.00	1.04
MCX GOLD (PUT@29300)	280.00	320.00	280.00	310.00	0.04

## Silver (% change) as on Dec 1, 2017

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
SILVER (SPOT)	16.4	0.1	-3.2	-4.0	-1.6
SILVER (SPOT - MUMBAI)	38000.0	-0.8	-3.8	-3.2	-6.6
COMEX	16.3	-0.5	-4.2	-5.2	-2.7
MCX (MAR'17)	37582.0	0.13	-4.2	-5.3	-6.8

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

Source: Reuters

## Energy

### Crude Oil

WTI and MCX oil prices traded lower last week by 2.27 and 1.5 percent while MCX oil prices declined 2.3 percent in the same time frame.

Prices extended losses after data from industry group the American Petroleum Institute showed crude inventories rose by 1.8 million barrels in the week to Nov. 24 to 457.3 million, compared with market expectations for a decrease of 2.3 million barrels.

OPEC and non-OPEC producers led by Russia agreed to extend output cuts until the end of 2018, while also signalling a possible early exit from the deal if the market overheats.

Iran's energy minister announced Nigeria and Libya would be included in the oil output deal and an OPEC communique stated the countries would not produce above 2017 levels in the New Year.

### Outlook

We expect oil prices to trade lower today on profit booking at higher levels today while OPEC extends its cap in oil cut by further nine months.

On the MCX, oil prices will trade lower today, international markets are trading lower by 0.77 percent at \$57.95 per barrel.

#### Technical Outlook

valid for December 4, 2017

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	57.30/56.10	58.70/59.60
MCX CRUDE DEC'17 (RS/BBL)	3720/3670	3810/3870
BRENT CRUDE (\$/BBL)	62.70/61.60	64.10/65.00

### Market Highlights - Crude Oil (% change) as on Dec 1, 2017

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	65.4	1.6	2.3	6.4	26.0
NYMEX CRUDE (JAN'17)	58.4	1.7	-1.0	7.5	14.3
ICE BRENT CRUDE (FEB'17)	63.7	0.3	-0.2	5.4	17.0
MCX CRUDE (DEC'17)	3762.0	2.0	-1.2	7.5	7.5

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

Source: Reuters

### Market Highlights - Natural Gas (% change) as on Dec 1, 2017

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.1	1.0	8.3	5.6	-11.6
MCX NG (DEC'17)	198.8	0.9	9.2	6.3	-14.9

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

Source: Reuters

## Base Metals

Last week, Base metals traded mostly lower as Chinese crackdown on government investment in railway infrastructure projects hurt demand prospects.

MCX base metals traded lower in line with international trends.

## Copper

LME Copper prices fell by around 3 percent last week as China's state planner announced that it will check local governments' investment in railway projects amid growing concerns that infrastructure spending is swelling debt further. This is done to prevent "disguised" debt issuance by local government via public-private partnership (PPP) projects.

However, downside momentum was restricted by supply disruption woes fuelled by strikes at Escondida mine in Chile and Southern Copper mine in Peru.

Also, consistent decline in LME inventories pulled Copper stocks down by 14 percent, adding further to concerns of market tightness.

MCX Copper prices traded lower by 1.7 percent in line with international trends.

## Outlook

LME Copper prices are currently trading higher by 0.2 percent at \$6847/t. Copper prices are likely to trade higher today as unexpectedly favourable manufacturing numbers from China coupled with rising net longs in CFTC positions will be supportive.

On the MCX, copper prices are expected to trade higher today.

### Technical Outlook

valid for December 4, 2017

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER FEB'17	441/439	447/452
MCX ZINC DEC'17	208.50/207	211.50/212
MCX LEAD DEC17	163/162	166/167
MCX ALUMINIUM DEC'17	132.50/131	135/136
MCX NICKEL DEC'17	724/714	740/750

## Market Highlights – Base Metals (% change) as on Dec 1, 2017

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper (3 month)	6833.0	1.0	-2.4	-1.4	18.6
MCX Copper (FEB'17)	444.3	3.0	-1.7	-0.7	12.0
LME Aluminum(3 month)	2075.0	1.5	-2.6	-4.3	20.8
MCX Aluminum (DEC'17)	133.8	2.1	-2.3	-4.6	14.5
LME Nickel(3 month)	11315.0	1.5	-6.0	-11.1	-1.4
MCX Nickel (DEC'17)	731.4	0.5	-5.5	-10.3	-6.4
LME Lead(3 month)	2541.0	2.8	2.2	2.5	12.1
MCX Lead (DEC'17)	164.6	3.3	2.6	2.9	7.2
LME Zinc(3 month)	3242.0	2.7	0.2	-0.2	21.9
MCX Zinc (DEC'17)	210.0	2.0	-0.2	-0.9	16.5

Source: Reuters

## LME Inventories in tonnes

COMMODITY	30/11/17	29/11/17	CHG	%CHG
COPPER	183525	188525	-5000	-2.65%
ALUMINIUM	1108900	1112025	-3125	-0.28%
NICKEL	380100	380136	-36	-0.01%
ZINC	211525	213000	-1475	-0.69%
LEAD	145000	145075	-75	-0.05%

Source: Reuters



## No Economic indicators to be released on 4-Dec-17

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