

## Bullion

### Gold

On Monday, spot gold prices ended higher by 0.22 percent to close at \$1492.8 per ounce. Prices rose after the optimism over a possible trade deal faded off which dented the risk appetite amongst investors and boosted the appeal for Gold.

Prices dipped last week after the United States and China agreed to the first phase of a deal to end a trade war after which President Donald Trump waved the tariff hike which was scheduled on 15<sup>th</sup> October 2019 and China agreed to buy large quantities of agricultural products from U.S.

However, the chances of a deal weakened as China stated that it wants to hold another round of trade negotiations by the end of October'19 before signing any trade deal outlined by U.S. President Donald Trump.

### Silver

On Monday, Spot silver prices ended higher by 0.63 percent to close at 17.70 per ounce while MCX silver prices declined by 1.40 percent to close at Rs.45804.0 per kg.

### Outlook

Fading optimism over a possible trade deal between U.S. & China might dent the risk appetite amongst investors and support Gold prices.

On the MCX, gold prices are expected to trade higher today; international markets are trading higher by 0.1 percent to close at 1499.15 per ounce.

#### Technical Outlook valid for Oct 15, 2019

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1492/1486	1503/1509
MCX GOLD DEC'19 (Rs/10GMS)	38100/37950	38380/38530
SPOT SILVER (\$/OZ)	17.60/17.40	17.90/18.10
MCX SILVER DEC'19 (Rs/KG)	45400/45100	46100/46500

#### Market Highlights (% change) as on Oct 14, 2019

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	71.2	0.44	0.57	0.36	-3.04
Euro/\$ (Spot)	78.5	0.38	1.07	-0.03	-7.54
Dollar Index	98.5	0.16	-0.36	0.20	3.58
NIFTY	11341.2	0.32	1.49	2.39	7.15
SENSEX	38214.5	0.23	1.44	2.22	8.68
DJIA	26787.4	-0.11	0.80	-1.59	3.83

#### Gold (% change) as on Oct 14, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1492.8	0.22	-0.77	0.29	21.96
Gold (Spot - Mumbai)	38300.0	0.26	0.39	1.86	20.44
Comex	1491.7	0.61	-0.96	0.05	21.54
MCX Gold	38226.0	1.01	0.45	1.87	19.95

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

#### Silver (% change) as on Oct 14, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	17.7	0.63	0.57	1.29	20.54
Silver (Spot - Mumbai)	45500.0	-2.99	0.66	-1.73	16.97
Comex	17.6	0.98	0.54	1.14	20.53
MCX Silver	45804.0	1.40	0.94	0.09	17.86

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

## Energy

### Crude Oil

On Monday, WTI Crude prices ended lower by 2.03 percent to close at \$53.6 per barrel after the trade tension between the super-power nations amid weak Chinese data continued to weigh on the demand prospects for Crude.

Situations between U.S. & China worsened after agreeing to the first phase of a deal to end a prolonged trade war as China stated that they want another round of negotiations before entering in to any deal outlined by the U.S. officials.

U.S. Treasury Secretary Steven Mnuchin stated that of the two nations fail to strike a deal by 15th December 2019, an additional round of tariffs might come into effect.

Moreover, weak trade data by China pointed towards a persistent weakness in the demand globally as well as domestically. China being the biggest consumer of Crude, slowdown in their economy pushed the prices lower.

### Outlook

Fading optimism over chances of a possible trade deal between U.S. & China might weigh on the demand prospects for Crude and push the prices lower.

We expect oil prices to trade sideways, international markets are trading lower by 0.67 percent at \$53.23 per barrel.

#### Technical Outlook

valid for Oct 15, 2019

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	52.8/52.1	54.1/54.8
MCX CRUDE OCT'19 (RS/BBL)	3780/3730	3870/3920
BRENT CRUDE OIL(\$/BBL)	58.5/57.8	59.7/60.4

### Market Highlights - Crude Oil (% change) as on Oct 14, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	59.5	-3.30	-0.95	-4.33	-26.57
NYMEX CRUDE	53.6	-2.03	1.48	-2.30	-25.49
ICE BRENT CRUDE	59.4	-1.92	1.68	-1.44	-27.10
MCX CRUDE	3815.0	-1.40	2.14	-2.55	-27.77

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

Source: Reuters

### Market Highlights - Natural Gas (% change) as on Oct 14, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.3	2.98	-3.06	-12.78	-29.61
MCX NG	179.3	2.22	-0.99	-5.53	-26.43

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

Source: Reuters

## Base Metals

On Monday, base metal prices on the LME were mixed with Nickel being the highest loser amongst the pack. Metals found some support last week after situations between U.S. & China eased down as they agreed to the first phase of a deal to end a prolonged trade war.

However, situations soon turned around after China stated that they want another round of negotiations before entering in to any deal outlined by the U.S. officials.

In September 2019, China's imports contracted for a fifth straight month which signalled towards a persistent weakness in their economy. Moreover, the auto sales fell by 5.2 percent (y-o-y) in September 2019, declining for the 15 month straight.

## Copper

On Monday, LME Copper prices rose over 0.38 percent to close at \$5818.0 per tonne. Fading of optimism between U.S. & China (the biggest consumers of industrial metals) raised demand concerns for industrial metals and weighed on the prices.

## Outlook

Escalating tension between U.S. & China amid weak economic data from China might hamper the demand prospects for industrial metals and push the prices lower.

On the MCX, Copper prices are expected to trade sideways today; international markets trading lower by 0.10 percent at \$5813.5s per tonne.

### Technical Outlook

valid for Oct 15, 2019

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER OCT'19	442/440	447/449
MCX ZINC OCT'19	185.5/184	188.5/190
MCX LEAD OCT'19	154/152.5	157/158.5
MCX ALUMINIUM OCT'19	132.5/131	135/136.5
MCX NICKEL OCT'19	1233/1220	1255/1265
MCX BRASS OCT'19	301/300	304/305

## Market Highlights – Base Metals (% change) as on Oct 14, 2019

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5818.0	0.38	3.10	-2.62	-6.39
MCX Copper	444.4	0.28	1.97	-3.38	-1.80
LME Aluminium (3 month)	1720.0	-0.12	0.06	-4.97	15.44
MCX Aluminium	133.9	0.11	-0.34	-4.26	10.41
LME Nickel (3 month)	16550.0	-5.70	-6.97	-6.76	31.40
MCX Nickel	1244.3	-0.34	-1.68	0.23	35.78
LME Lead (3 month)	2131.0	-2.34	-1.34	1.19	3.17
MCX Lead	155.4	-1.02	-1.30	-0.38	2.95
LME Zinc (3 month)	2420.0	0.04	5.22	1.47	-7.14
MCX Zinc	187.0	-0.27	2.92	-0.37	-3.51

Source: Reuters

## LME Inventories in tonnes

COMMODITY	14/10/19	11/10/19	CHG	%CHG
COPPER	277350	282325	-4975	-1.76%
ALUMINIUM	983600	974200	9400	0.96%
NICKEL	94134	98562	-4428	-4.49%
ZINC	62025	62475	-450	-0.72%
LEAD	68850	68925	-75	-0.11%

Source: Reuters

## Economic indicators to be released on 15-Oct-19

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
BOE Gov Carney Speaks	UK	2:00PM	-	-	-	High
Average Earnings Index 3m/y	UK	2:00PM	-	4.0%	4.0%	Medium
German ZEW Economic Sentiment	EUR	2:30PM	-	-27.0	-22.5	Medium
MPC Member Vlieghe Speaks	UK	6:00PM	-	-	-	Medium
FOMC Member George Speaks	US	10:15PM	-	-	-	Medium

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