

## Bullion

### Gold

On Wednesday, Spot Gold prices ended higher by 0.27 percent to close at \$1639.6 per tonne as worries over the impact of the Coronavirus breakout on the global economy continued to dent the risk appetite amongst investors in turn shifting the investors to take shelter under the safe haven asset, Gold.

Prices dipped in the earlier sessions as investors booked profits after Gold crossed its seven year high. However, the impact of the virus breakout is much severe than earlier assessed which might hamper the global growth prospects and boost the demand for the bullion metal.

The virus branching out to Italy and Iran while U.S. and Germany getting prepared for further increase in number of cases raised genuine concerns in the markets.

Moreover, markets assessed that the U.S. Federal Reserve and European Central Bank will soon trim its interest rates considering the worries that the virus will spread and hit economic growth which might further supported the yellow metal prices.

### Silver

On Wednesday, Spot silver prices dipped by 0.57 percent to close at \$17.9 per ounce whereas the MCX silver ended lower by 2.08 percent to close at Rs.46576.0 per kg.

### Outlook

Increase in number of coronavirus cases beyond China might continue to shift the investors towards the safe haven asset, Gold.

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

#### Technical Outlook

valid for February 27, 2020

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1642/1634	1654/1659
MCX GOLD APR'20 (Rs/10GMS)	42350/42150	42650/42800
SPOT SILVER (\$/OZ)	17.85/17.70	18.05/18.20
MCX SILVER MAR'20 (Rs/KG)	46300/46100	46900/47200

### Market Highlights (% change)

as on February 26, 2020

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	71.0	-1.13	-0.82	-0.27	0.01
Euro/\$ (Spot)	78.0	-0.01	0.93	-0.46	-3.32
Dollar Index	99.0	0.03	-0.71	1.00	2.56
NIFTY	12259.0	3.91	1.10	1.69	12.85
SENSEX	39889.0	-0.97	-3.47	-2.63	10.61
DJIA	28239.3	4.28	-3.78	-1.68	8.50

### Gold (% change)

as on February 26, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1639.6	0.27	1.75	4.71	26.77
Gold (Spot - Mumbai)	42500.0	-0.12	1.19	7.73	29.57
Comex	1484.4	-9.87	-7.66	-5.40	14.50
MCX Gold	42504.0	-0.66	2.21	5.62	30.22

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

### Silver (% change)

as on February 26, 2020

COMMODITY	LAST	CHANGE	MOM	YOY	
Silver (Spot)	17.9	-0.57	-2.81	2.57	17.63
Silver (Spot - Mumbai)	47750.0	-0.93	0.21	2.47	21.50
Comex	17.8	-1.96	-2.55	2.44	17.52
MCX Silver	46576.0	-2.08	-2.09	2.42	21.61

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

Source: Reuters

## Energy

### Crude Oil

On Wednesday, WTI Crude prices plunged over 2.3 percent to close at \$48.7 per barrel as the rapidly spreading Coronavirus continued to dent the demand prospects for Crude.

Increase in number of cases outside China deepened the concerns over a possible economic slowdown which would in turn dent the demand for Crude.

Markets assessed that the lethal virus breakout could lead to a far greater economic damage than initially thought which led to a significant downfall in oil prices.

The OPEC+ stated that they would further trim their output to counter the slumping demand due to the coronavirus outbreak in the major Crude consumer, China. OPEC+ plans to meet in Vienna on 5<sup>th</sup>-6<sup>th</sup> March 2020.

As per reports from the Energy Information Administration (EIA), U.S. Crude inventory levels increase by 452,000 barrels to 443.3 million barrels much lower than the market expectation of 2-million-barrel rise.

### Outlook

Rising number of cases of the Coronavirus might further dent the demand worries for Crude and push the prices lower.

On the MCX, oil prices are expected to trade lower today.

#### Technical Outlook

valid for February 27, 2020

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	47.50/47.00	48.50/48.90
MCX CRUDE MAR'20 (RS/BBL)	3510/3470	3580/3610
BRENT CRUDE OIL(\$/BBL)	51.70/51.10	52.60/53.10

### Market Highlight - Crude Oil (% change) as on February 26, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	70.8	3.54	16.96	18.42	12.16
NYMEX CRUDE	48.7	-2.34	-8.56	-8.88	-12.67
ICE BRENT CRUDE	53.4	-2.77	-9.62	-10.22	-17.89
MCX CRUDE	3546.0	-2.69	-7.00	-6.88	-10.75

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

Source: Reuters

### Market Highlight - Natural Gas (% change) as on February 26, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	1.8	-1.41	-6.85	-5.84	-36.31
MCX NG	134.2	0.00	-4.96	-2.33	-34.41

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

Source: Reuters

## Base Metals

On Wednesday, base metal prices on the LME ended lower with Lead being the highest loser amongst the pack. Coronavirus spreading out to multiple nations outside China raised genuine worries of a possible economic slowdown which might hamper the demand prospects for industrial metals.

South Korea & Italy reported 334 and 400 new cases respectively. The coronavirus branching out to multiple nations might dent the demand for the industrial metals.

However, weaker Dollar made the industrial metals cheaper for other currency holders in turn limiting the downfall in industrial metal prices.

## Copper

On Wednesday, LME Copper prices ended lower by 0.26 percent to close at \$5670.0 per tonne as worries over the lethal virus outbreak coupled with surge in Copper inventory levels in the LME verified warehouse raised demand woes and pushed the red metal prices lower.

## Outlook

The virus spreading out to multiple nations outside China raised concerns over global growth which might weigh on the industrial metal prices.

On the MCX, Copper prices are expected to trade lower today.

Technical Outlook valid for February 27, 2020

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER MAR'20	423/421	428/430
MCX ZINC MAR'20	155/154	157/158
MCX LEAD MAR'20	141/140	143/144
MCX ALUMINIUM MAR'20	134/133	137/138
MCX NICKEL MAR'20	904/894	924/934

## Market Highlights – Base Metals (% change) as on February 26, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5670.0	-0.26	-1.73	-0.58	-12.47
MCX Copper	419.4	-0.89	-2.76	-4.16	-9.35
LME Aluminium (3 month)	1696.0	-0.41	-1.40	-3.20	-11.57
MCX Aluminium	133.7	-1.07	-3.47	-9.42	-10.54
LME Nickel (3 month)	12550.0	0.80	-2.18	0.00	-4.89
MCX Nickel	905.1	-0.78	-4.12	-3.60	-3.22
LME Lead (3 month)	1817.0	-2.21	-3.51	-3.86	-15.21
MCX Lead	144.5	-0.82	-0.86	-1.77	-5.00
LME Zinc (3 month)	2046.0	0.84	-3.85	-8.25	-26.54
MCX Zinc	155.8	0.52	-6.51	-12.15	-21.94

Source: Reuters

## LME Inventories in tonnes

COMMODITY	26/02/20	25/02/20	CHG	%CHG
COPPER	221425	160250	61175	38.17%
ALUMINIUM	1103575	1115400	-11825	-1.06%
NICKEL	230196	230256	-60	-0.03%
ZINC	75975	75200	775	1.03%
LEAD	67650	67575	75	0.11%

Source: Reuters

**Economic Indicator to be released on 27-Feb-20**

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
Core Durable Goods Orders m/m	US	7:00PM	-	0.2%	-0.1%	Medium
Durable Goods Orders m/m	US	7:00PM	-	-1.5%	2.4%	Medium
Prelim GDP q/q	US	7:00PM	-	2.1%	2.1%	Medium

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