

## Bullion

### Gold

On Thursday, 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 could turn into a pandemic and hamper the global economy.

The impact of the virus breakout is much severe than earlier assessed which dented the risk appetite amongst investors in turn boosting the appeal for the bullion metal.

Increase in number of cases from Italy and Iran while U.S. and Germany getting prepared for virus breakout 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 over the rapidly spreading Coronavirus.

### Silver

On Wednesday, Spot silver prices dipped by 1.03 percent to close at \$17.7 per ounce whereas the MCX silver ended lower by 0.85 percent to close at Rs.46180.0 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 28, 2020

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1637/1629	1648/1656
MCX GOLD APR'20 (Rs/10GMS)	42250/42050	42550/42750
SPOT SILVER (\$/OZ)	17.40/17.20	17.70/17.85
MCX SILVER MAR'20 (Rs/KG)	45800/45500	46500/46800

## Market Highlights (% change) as on February 27, 2020

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	71.0	-0.81	-0.93	-0.42	0.14
Euro/\$ (Spot)	78.6	0.78	1.24	0.11	-2.15
Dollar Index	98.5	-0.49	-1.36	0.53	1.89
NIFTY	12259.0	4.97	1.47	1.07	#N/A
SENSEX	39745.7	-0.36	-3.46	-3.53	#N/A
DJIA	28239.3	4.75	-3.36	-1.72	9.37

## Gold (% change) as on February 27, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1642.0	0.14	1.39	4.14	27.64
Gold (Spot - Mumbai)	42500.0	-0.12	#N/A	5.41	#N/A
Comex	1484.4	-9.49	-8.18	-5.44	15.54
MCX Gold	42385.0	-0.28	0.82	5.04	30.94

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

## Silver (% change) as on February 27, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	17.7	-1.03	-3.57	0.90	17.40
Silver (Spot - Mumbai)	47750.0	-0.93	#N/A	4.83	#N/A
Comex	17.7	-0.94	-3.56	1.30	17.59
MCX Silver	46180.0	-0.85	-3.59	1.38	21.38

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

Source: Reuters

## Energy

### Crude Oil

On Wednesday, WTI Crude prices plunged over 3.3 percent to close at \$47.1 per barrel as the rapidly spreading Coronavirus in nations outside China continued to dent the demand prospects for Crude.

Increase in number of cases outside China deepened the concerns over a possible global 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.

### 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 28, 2020

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	45.70/45.20	46.70/47.20
MCX CRUDE MAR'20 (RS/BBL)	3360/3320	3430/3470
BRENT CRUDE OIL(\$/BBL)	50.30/49.70	51.20/51.80

### Market Highlight - Crude Oil (% change) as on February 27, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	70.8	3.54	16.25	17.95	10.88
NYMEX CRUDE	47.1	-3.37	-12.44	-11.70	-16.79
ICE BRENT CRUDE	52.2	-2.34	-12.02	-12.76	-20.54
MCX CRUDE	3395.0	-4.26	-13.04	-10.80	-14.83

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

Source: Reuters

### Market Highlight - Natural Gas (% change) as on February 27, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	1.8	-3.79	-8.75	-6.66	-38.68
MCX NG	138.1	0.00	-3.16	0.00	-32.34

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

Source: Reuters

## Base Metals

On Wednesday, base metal prices on the LME ended lower with Zinc 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.

The Coronavirus which broke out has now spread in over 50 countries infecting about 79,000 people. Moreover, a solid inventory build-up on the LME verified warehouse reflecting the falling demand further pressurized the industrial metal prices.

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 0.95 percent to close at \$5616.0 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 28, 2020

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
MCX COPPER MAR'20	420/417	425/427
MCX ZINC MAR'20	152/151	154/155
MCX LEAD MAR'20	141/140	143/144
MCX ALUMINIUM MAR'20	134/133	136/137
MCX NICKEL MAR'20	897/890	911/920

## Market Highlights – Base Metals (% change) as on February 27, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5616.0	-0.95	-1.96	-0.44	-12.37
MCX Copper	419.6	0.04	-2.46	-3.15	-8.55
LME Aluminium (3 month)	1690.0	-0.35	-1.23	-2.71	-9.87
MCX Aluminium	133.8	0.07	-2.62	-9.60	-8.42
LME Nickel (3 month)	12375.0	-1.39	-2.33	-1.39	-6.64
MCX Nickel	896.6	-0.94	-4.73	-4.62	-4.78
LME Lead (3 month)	1808.5	-0.47	-3.16	-1.39	-14.41
MCX Lead	144.6	0.03	-0.48	-1.13	-3.31
LME Zinc (3 month)	2012.0	-1.66	-4.73	-9.00	-26.86
MCX Zinc	153.1	-1.73	-7.27	-13.48	-21.99

Source: Reuters

## LME Inventories in tonnes

COMMODITY	27/02/20	26/02/20	CHG	%CHG
COPPER	219875	221425	-1550	-0.70%
ALUMINIUM	1092275	1103575	-11300	-1.02%
NICKEL	229860	230196	-336	-0.15%
ZINC	75425	75975	-550	-0.72%
LEAD	67550	67650	-100	-0.15%

Source: Reuters

**Economic Indicator to be released on 28-Feb-20**

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
German Prelim CPI m/m	EUR	ALL DAY	-	0.3%	-0.6%	Medium
Core PCE Price Index m/m	US	7:00PM	-	0.2%	0.2%	Medium
Personal Spending m/m	US	7:00PM	-	0.3%	0.3%	Medium
Chicago PMI	US	8:15PM	-	46.1	42.9	Medium

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