

Bullion

Gold

On Monday, Spot Gold prices ended marginally higher by 0.14 percent after reports stated that U.S. President might further impose fresh tariffs on China in retaliation of the virus break out.

However, major economies announced to revoke the lockdown as the virus related worries eased which boosted the risk appetite amongst investors and pressurized the appeal for the safe haven asset, gold.

U.S.-China tension rekindled after U.S. Secretary of State said that there was evidence that the Coronavirus pandemic emerged from a Chinese lab which hampered the U.S. economy as well the global growth prospects. Tensions between the biggest economies in the world amid recession worries dented the risk appetite

Moreover, U.S. Manufacturing data plunged to 41.5, its lowest in 11 years. Fall in the new order and expectation of slow recovery in the manufacturing activities weighed on the market sentiments and supported the bullion metal prices.

Silver

On Monday, Spot silver prices ended lower by 0.67 percent to close at \$14.8 per ounce whereas prices on the MCX ended lower by 0.77 percent to close at Rs.40918 per kg.

Outlook

Worries over the U.S. - China tension might weigh on the markets risk sentiment and Support Gold prices.

However, major economies gradually revoking the virus related lockdown might boost the investors risk appetite and weigh on Gold prices.

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

Technical Outlook

valid for May 05, 2020

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1688/1675	1707/1714
MCX GOLD JUN'20 (Rs/10GMS)	45550/45200	46050/46250
SPOT SILVER (\$/OZ)	14.65/14.50	14.90/15.10
MCX SILVER JULY'20 (Rs/KG)	40800/40500	41550/41950

Market Highlights (% change)

as on May 04, 2020

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	75.6	-0.15	-0.78	-0.79	8.62
Euro/\$ (Spot)	82.6	-1.04	0.10	0.26	6.17
Dollar Index	99.5	0.41	-0.56	-1.09	1.90
NIFTY	12259.0	#N/A	32.07	51.65	6.62
SENSEX	31715.4	#N/A	-0.09	14.95	-17.14
DJIA	28239.3	19.03	17.01	34.14	8.76

Gold (% change)

as on May 04, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1701.4	0.14	-0.74	5.26	32.48
Gold (Spot - Mumbai)	45250.0	12.00	#N/A	#N/A	42.74
Comex	1484.4	-12.40	-13.29	-9.14	15.65
MCX Gold	45807.0	0.62	-0.83	4.22	44.37

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

Silver (% change)

as on May 04, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	14.8	-0.67	-2.85	3.13	-0.44
Silver (Spot - Mumbai)	34600.0	-1.98	#N/A	#N/A	-6.99
Comex	14.7	-0.95	-3.15	1.98	-0.93
MCX Silver	40918.0	-0.77	-2.48	-0.74	9.22

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

Source: Reuters

Energy

Crude Oil

On Monday, WTI Crude prices ended higher by 3.08 percent to close at \$20.4 after many nations announced their plans to gradually revoke the coronavirus related lockdown which might lead to resumption in economic activities and boost the demand for the Crude.

The lockdown led to a standstill in economic activities which hampered the demand for Crude and pushed the prices lower. However, the markets analyzed that the recovery phase will be much longer than anticipated.

Oil prices were further supported after the Organization of the Petroleum Exporting Countries and its allies agreed to trim their production by 9.7 million barrels per day from 1st May, 2020. Production cuts amid expectation of rising global demand supported Crude prices.

Outlook

Easing of the coronavirus related lockdown in many nations might improve the demand prospects for Crude.

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

Market Highlight - Crude Oil (% change) as on May 04, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	70.8	3.54	562.06	268.00	-0.06
NYMEX CRUDE	20.4	3.08	59.55	-28.05	-66.79
ICE BRENT CRUDE	27.2	2.87	36.07	-20.26	-61.08
MCX CRUDE	1555.0	56.28	45.87	-24.07	-63.53

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

Source: Reuters

Market Highlight -Natural Gas (% change) as on May 04, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.0	5.45	9.57	22.95	-21.44
MCX NG	162.4	0.00	12.08	23.22	-10.42

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

Source: Reuters

Technical Outlook

valid for May 05, 2020

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	17.20/16.20	19.40/20.60
MCX CRUDE MAY'20 (RS/BBL)	1450/1350	1700/1850
BRENT CRUDE OIL(\$/BBL)	26.90/25.50	30.50/32.60

Base Metals

On Monday, base metal prices on the LME were mixed with Zinc being the highest gainer amongst the spectrum. Industrial metals prices were pressurized as the demand recovery period might be longer than anticipated.

Shrinking factory activities in China and U.S. dampened the demand outlook for industrial metals & pushed the prices lower. Fragile demand coupled with recession worries might continue to weigh on the base metal prices.

Moreover, fresh tension rekindled between U.S. & China after reports stated that the virus broke out from China only which had a severe impact on the global economic growth.

Copper

On Monday, LME Copper prices ended lower 0.6 percent as expectation of increase in Copper supply after the coronavirus related lockdowns are gradually revoked amid fragile global demand weighed on the red metal prices.

Easing of restriction on Peru's mining activities and many other production units after being shut since Mid-March 2020 might raise worries of over supply considering the falling demand around the globe

Outlook

Resumption of operations in top Copper producer, Peru, amid fragile demand around the globe might weigh on the red metal prices.

However, easing worries over the coronavirus breakout might lead to resumption in economic activities and in turn boost the demand for the red metal.

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

Technical Outlook

valid for May 05, 2020

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
LME COPPER	5020/4980	5090/5140
MCX COPPER MAY'20	395/392	401/405
MCX ZINC MAY'20	146/143	152/155
MCX LEAD MAY'20	131/129	136/139
MCX ALUMINIUM MAY'20	129/126	134/137
MCX NICKEL MAY'20	890/880	914/925

Market Highlights – Base Metals (% change) as on May 04, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5123.0	0.25	-1.42	5.86	-17.10
MCX Copper	398.3	-0.72	-1.52	4.78	-7.47
LME Aluminium (3 month)	1483.0	-0.27	-1.59	0.10	-18.34
MCX Aluminium	131.2	-0.49	-0.34	-2.13	-10.60
LME Nickel (3 month)	11812.0	-1.20	-3.53	5.10	-1.89
MCX Nickel	903.3	-0.92	-3.36	4.14	7.46
LME Lead (3 month)	1630.0	0.06	-0.34	-1.60	-12.15
MCX Lead	133.8	-0.37	1.48	0.30	2.45
LME Zinc (3 month)	1899.5	-0.73	-0.29	0.93	-29.44
MCX Zinc	149.8	-0.40	0.81	2.04	-30.70

Source: Reuters

LME Inventories in tonnes

COMMODITY	04/05/20	01/05/20	CHG	%CHG
COPPER	251425	251475	-50	-0.02%
ALUMINIUM	1355175	1356150	-975	-0.07%
NICKEL	230634	230712	-78	-0.03%
ZINC	100850	100850	0	0.00%
LEAD	73650	73650	0	0.00%

Source: Reuters

Economic Indicator to be released on 5-May-2020

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
German Constitutional Court Ruling	EUR	Tentative	-	-	-	High
Final Services PMI	UK	2:00PM	-	12.0	12.3	Medium
ISM Non-Manufacturing PMI	US	7:30PM	-	37.5	52.5	High

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