

## Bullion

### Gold

On Tuesday, Spot Gold prices ended marginally higher by 0.27 percent to close at \$1706 per ounce as recovery in Oil prices and many nations easing the virus related lockdown boosted the risk appetite amongst investors and dented the appeal for the safe haven asset, gold.

Major economies announced to revoke the lockdown as the virus related worries eased. Ending the month long lockdown will lead to resumption in economic activities around the globe which is expected to improve the staggered economy and support the market sentiments.

However, the markets analyzed that the road recovery post lockdown would be longer than expected which weighed on the market sentiments in turn providing some support for the yellow metal.

### Silver

On Tuesday, Spot silver prices ended higher by 1.21 percent to close at \$15.0 per ounce whereas prices on the MCX ended marginally higher by 0.21 percent to close at Rs.41005 per kg.

### Outlook

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

Moreover, appreciating Dollar might further make Gold expensive for other currency holders and push the prices lower.

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

#### Technical Outlook

valid for May 06, 2020

COMMODITY	SUPPORT	RESISTANCE
SPOT GOLD (\$/OZ)	1693/1682	1711/1721
MCX GOLD JUN'20 (Rs/10GMS)	45500/45200	45980/46250
SPOT SILVER (\$/OZ)	14.90/14.70	15.25/15.45
MCX SILVER JULY'20 (Rs/KG)	41400/41100	42250/42650

### Market Highlights (% change)

as on May 05, 2020

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	75.7	0.08	-0.49	-0.36	8.58
Euro/\$ (Spot)	82.0	-0.70	-0.47	0.04	5.01
Dollar Index	99.7	0.23	-0.16	-0.97	2.14
NIFTY	12259.0	31.91	30.68	#N/A	7.92
SENSEX	31453.5	-0.83	-2.06	#N/A	-16.77
DJIA	28239.3	18.90	17.17	24.51	8.75

### Gold (% change)

as on May 05, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	1706.0	0.27	-0.09	2.66	33.22
Gold (Spot - Mumbai)	45250.0	12.00	#N/A	#N/A	42.30
Comex	1484.4	-13.04	-13.22	-11.48	16.02
MCX Gold	45751.0	-0.12	-0.68	#N/A	44.39

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

### Silver (% change)

as on May 05, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	15.0	1.21	-1.12	0.23	1.25
Silver (Spot - Mumbai)	34600.0	-1.98	#N/A	#N/A	-7.36
Comex	15.1	2.28	-0.69	-0.36	1.79
MCX Silver	41005.0	0.21	-1.69	#N/A	9.63

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

Source: Reuters

## Energy

### Crude Oil

On Tuesday, WTI Crude prices soared over 20.4 percent to close at \$24.5 per barrel 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.

Many European and Asian countries along with some parts of U.S. and some other nations permitted people to go back to work. Resumption in business and industrial activities amid hopes of recovery in Vehicle traffic boosted the demand for Crude and pushed the prices higher.

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 for Crude led to the surge in Crude prices.

### Outlook

As per the American Petroleum Institute data, U.S. Crude inventory surged over 8.4 million barrels per day last week which might weigh on Crude prices.

However, hopes over rising demand and aggressive output cuts by OPEC might continue to provide some support.

Official U.S. Crude inventory data will be published later in the day.

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

#### Technical Outlook

valid for May 06, 2020

COMMODITY	SUPPORT	RESISTANCE
NYMEX CRUDE OIL (\$/BBL)	23.80/22.50	25.50/26.70
MCX CRUDE MAY'20 (RS/BBL)	1800/1700	1930/2020
BRENT CRUDE OIL(\$/BBL)	30.10/28.80	31.80/33.05

### Market Highlight - Crude Oil (% change) as on May 05, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	70.8	3.54	512.27	294.87	-0.98
NYMEX CRUDE	24.6	20.45	99.03	-5.83	-60.46
ICE BRENT CRUDE	31.0	13.86	51.37	-6.29	-55.99
MCX CRUDE	1869.0	87.84	85.97	#N/A	-56.88

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

Source: Reuters

### Market Highlight - Natural Gas (% change) as on May 05, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.1	7.07	18.95	23.28	-18.24
MCX NG	168.1	0.00	1.08	#N/A	-9.53

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

Source: Reuters

## Base Metals

On Tuesday, base metal prices on the LME ended higher as easing of the virus related lockdown amid bounce back in Oil prices buoyed the market sentiments which supported the base metal prices.

LME Aluminium prices ended lower by 1 percent as the virus related lockdown led to destruction of demand for Aluminium. Even the LME inventory levels have soared over 30 percent since mid-March 2020 indicating towards fragile globe demand for the light metal.

As per reports from the International Aluminium Institute, the global Aluminium output soared over 2.1 percent in the first three month of 2020. Aluminium prices were pressurized as markets worried of a possible over supply considering the weakening of global demand.

Gains for the base metal were capped after fresh tension rekindled between U.S. & China as reports stated that the virus broke out from China's laboratories which rattled the global economy.

## Copper

On Tuesday, LME Copper prices ended higher by 0.68 percent to close at \$5158 per tonne as many nations announced to revoke the coronavirus related lockdowns are gradually which improved the demand prospects for the red metal and pushed the prices higher.

## Outlook

Many countries gradually revoking the lockdown as worries over the virus outbreak eased might improve the demand outlook for industrial metals and push the prices higher.

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

### Technical Outlook

valid for May 06, 2020

COMMODITY (RS/KG)	SUPPORT	RESISTANCE
LME COPPER	5140/5095	5240/5280
MCX COPPER MAY'20	398/394	405/408
MCX ZINC MAY'20	149/146	154/157
MCX LEAD MAY'20	131/129	136/138
MCX ALUMINIUM MAY'20	130/128	134/137
MCX NICKEL MAY'20	905/890	930/945

## Market Highlights – Base Metals (% change) as on May 05, 2020

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME Copper(3month)	5158.0	0.68	-1.24	5.61	-16.10
MCX Copper	402.3	1.02	-0.98	#N/A	-6.42
LME Aluminium (3 month)	1484.5	0.10	-1.33	0.85	-17.39
MCX Aluminium	131.6	0.30	0.46	#N/A	-9.93
LME Nickel (3 month)	12002.0	1.61	-2.38	6.32	0.49
MCX Nickel	919.9	1.84	-1.56	#N/A	10.13
LME Lead (3 month)	1632.0	0.12	-0.67	-2.51	-13.26
MCX Lead	133.8	0.00	1.13	#N/A	1.67
LME Zinc (3 month)	1918.0	0.97	-0.65	0.71	-27.58
MCX Zinc	151.3	0.97	-0.98	#N/A	-29.36

Source: Reuters

## LME Inventories in tonnes

COMMODITY	04/05/20	01/05/20	CHG	%CHG
COPPER	245350	251425	-6075	-2.42%
ALUMINIUM	1355025	1355175	-150	-0.01%
NICKEL	233304	230634	2670	1.16%
ZINC	100675	100850	-175	-0.17%
LEAD	73875	73650	225	0.31%

Source: Reuters

**Economic Indicator to be released on 6-May-2020**

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
EU Economic Forecasts	EUR	Tentative	-	-	-	High
ADP Non-Farm Employment Change	US	5:5PM	-	-20000K	-27K	High
Crude Oil Inventories	US	8:00PM	-	8.5M	9.0M	Low

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