

May 15, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	June	Sell	5400-5410	5250	5500	Intraday

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News and Developments

- Spot gold prices ended on the negative note losing 2.24%, while Silver prices declined by 2.12% yesterday on rise in U.S. treasury yields. Further, gold prices dropped hitting an over 1-month low as rising trade optimism boosted risk appetite. In addition, an easing of global geopolitical risks reduced demand for safe haven
- US Dollar ended on the positive note gaining marginally by 0.09% yesterday. Dollar recovered from early losses and posted modest gains after Bloomberg reported U.S. is not negotiating for a weaker dollar as part of tariff talks. Further, U.S. Fed officials signaled that recent inflation data does not necessarily reflect the impact of rising US import tariffs and the outlook is now uncertain due to the possibility that new import taxes will drive prices higher. Fed will require more data to determine the directions of prices and economy
- U.S. treasury yields ended on the positive note yesterday reaching multi-weeks highs as investors are concerned about growing disagreements on the Trump administration's tax cut and budget legislation currently in Congress. The House of Representatives Ways and Means Committee approved the first version of the tax cut bill that would add trillion of dollars to US debt. Benchmark U.S. Treasury 10-year yield rose to 4.542%. While 2-year treasury yield, which typically moves in step with interest rate expectations increased to 4.059%.
- Crude oil prices settled lower yesterday losing more than 1% on recovery in dollar. Further, EIA data showed US crude oil inventories rose unexpectedly last week. Crude stockpiles rose by 3.5 million barrels to 441.8 million barrels last week. OPEC left its forecasts for global oil demand growth unchanged in 2025 and 2026
- Copper prices ended on the negative note due to recovery in dollar. Meanwhile, sharp fall was cushioned on US-China trade truce
- Natural gas prices edged lower yesterday on smaller than expected output decline this week and forecasts for lower-than-expected demand

Source: Bloomberg, ICICI Direct Research

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	92265	-1.48%	3177.3	-2.25%
Silver	95466	-1.34%	32.23	-2.13%
Copper	859.7	-0.05%	9606.5	0.07%
Aluminium	244.0	1.79%	2528.5	1.55%
Zinc	260.6	1.80%	2765.0	2.22%
Lead	178.6	0.11%	1996.5	0.38%
WTI Crude Oil	5418	-0.22%	63.15	-0.82%
US Nat Gas	299.3	-3.42%	3.49	-4.25%

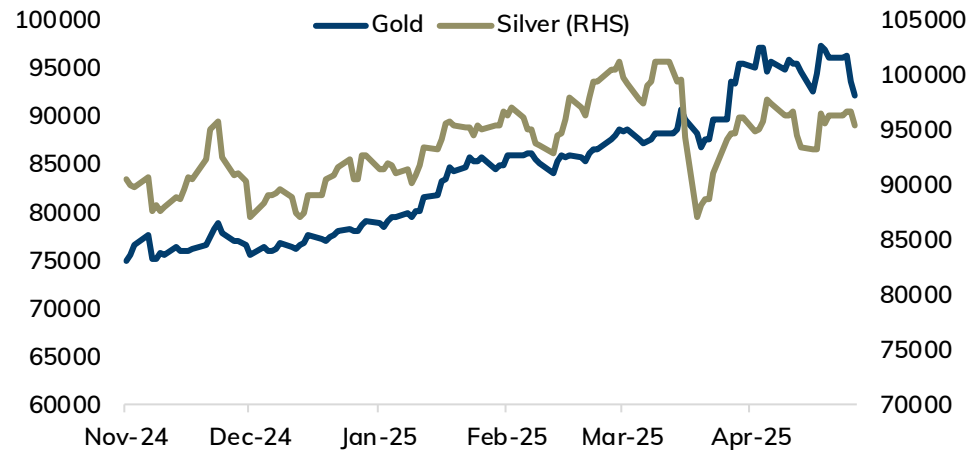
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th May)	85.38	0.02%	1148319	-52331	315256	13538
EURINR (28th May)	95.90	1.08%	25842	2193	8364	-1000
GBPINR (28th May)	113.88	1.00%	17468	1249	5626	598

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Gold Mini	June	Sell	94000-94100	93200	94500	Not Initiated

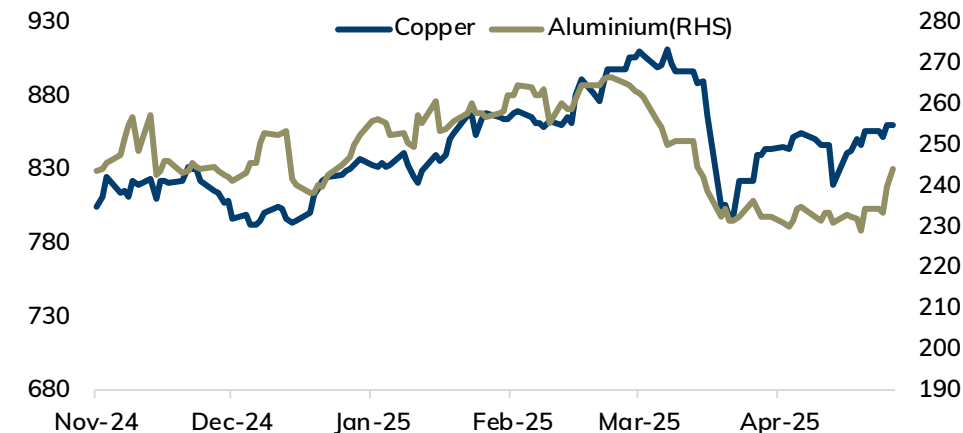
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to correct further towards \$3140 level on strong dollar and rise in US treasury yields. Further, demand for safe haven may continue to fade on growing optimism over trade deal between U.S. and its major trading partners. On top of it ease in geopolitical tension will push investors away from Bullion. Additionally, in light of easing trade tension, traders have dialed back expectation for rate cuts from US Federal Reserve this year. Market expects first cut of at least 25bps at central banks September meeting. Meanwhile, all eyes will be on U.S. producer price index and retail sales data to see how Trump tariff policy affected inflation and consumption
- Spot gold is likely to slip further towards \$3140 level as long as it stays below \$3230 level. MCX Gold June is expected to slip towards ₹91,500 level as long as it stays below ₹93,200 level
- MCX Silver July is expected to correct further towards ₹94,000 level as long as it trades below ₹96,400 level.

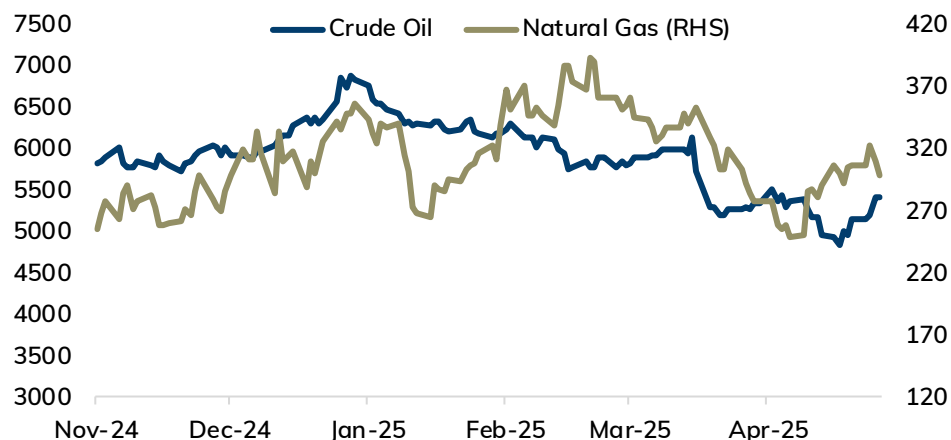
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with positive bias on optimistic global market sentiments, persistent decline in LME inventories and expectation of improved economic data from U.S and Europe. Further, signs of improved demand from China and US-China trade truce will continue to support prices. Meanwhile, sharp upside would be capped on strong dollar
- MCX Copper May is expected to rise towards ₹865 level as long as it stays above ₹852 level. A break above ₹865 level prices may rise further towards ₹870 level
- MCX Aluminium May is expected to correct towards ₹240 level as long as it stays below ₹245 level. MCX Zinc May is likely to move south towards ₹257 level as long as it stays below ₹263 level.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is likely to correct further towards \$61 on strong dollar. Further, surprise jump in weekly crude oil inventories last week has raised concerns about oversupply. Moreover, prices may dip on reports that Iran has signaled openness to nuclear deal with U.S, raising expectations that sanctions on Iranian oil exports would be eased by U.S. Additionally, all eyes will be on developments on Russia-Ukraine talks in Turkey. Meanwhile, investors will remain vigilant ahead of slew of economic data from Europe and US to gauge economic health
- MCX Crude oil June is likely to slip towards ₹5250 level as long as it stays below ₹5500 level. A break below ₹5250 level prices may dip further towards ₹5150.
- MCX Natural gas May is expected to slip further towards ₹288 level as long as it stays below ₹308 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	91007	91636	92651	93280	94295
Silver	93820	94643	95848	96671	97876
Copper	850.9	855.3	860.2	864.6	869.4
Aluminium	238.2	241.1	243.2	246.1	248.2
Zinc	252.9	256.7	259.6	263.4	266.3
Lead	177.3	178.0	178.4	179.1	179.5
Crude Oil	5321	5369	5403	5451	5485
Nat Gas	291	295	302	306	312

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (May)	84.92	85.15	85.37	85.59	85.81
US\$INR (June)	85.19	85.37	85.56	85.74	85.93
EURINR (May)	94.80	95.35	95.75	96.30	96.70
EURINR (June)	94.00	95.15	94.00	95.15	94.00
GBPINR (May)	112.82	113.35	113.69	114.22	114.56
GBPINR (June)	110.22	112.19	110.22	112.19	110.22
JPYINR (May)	57.84	58.17	58.39	58.71	58.93
JPYINR (June)	57.18	58.02	57.18	58.02	57.18

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	101.04	101.00	0.04%
US\$INR	85.28	85.34	-0.08%
EURUSD	1.1175	1.1185	-0.09%
EURINR	95.97	94.81	1.22%
GBPUSD	1.3263	1.3306	-0.32%
GBPINR	113.84	112.77	0.95%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.285	6.329	-0.04
US	4.536	4.465	0.07
Germany	2.699	2.680	0.02
UK	4.713	4.670	0.04
Japan	1.460	1.444	0.02

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
14-05-2025	8:00 PM	3.5M	-2.0M
07-05-2025	8:00 PM	-2.0M	-1.7M
30-04-2025	8:00 PM	-2.7M	-0.6M
23-04-2025	8:00 PM	0.2M	1.6M
16-04-2025	8:00 PM	0.5M	0.4M
09-04-2025	8:00 PM	2.6M	2.2M
02-04-2025	8:00 PM	6.2M	-0.4M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	185575	-4075	-2.15%
Aluminium	399300	0	0.00%
Zinc	167050	-900	-0.54%
Lead	250275	-2900	-1.15%
Nickel	198432	-84	-0.04%

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, May 12, 2025						
Tentative	China	New Loans		710B	364B	Medium
11:30 PM	US	Federal Budget Balance	258.4B	256.4B	(-160.5)B	Medium
Tuesday, May 13, 2025						
11:30 AM	UK	Claimant Count Change	5.2K	22.3K	18.7K	High
2:30 PM	Europe	German ZEW Economic Sentiment	25.2	9.8	-14	Medium
4:00 PM	India	Inflation Rate y/y	3.16%	3.10%	3.34%	Medium
6:00 PM	US	CPI y/y	2.30%	2.40%	2.40%	High
8:30 PM	UK	BOE Gov Bailey Speaks				Medium
Wednesday, May 14, 2025						
2:45 PM	US	FOMC Member Waller Speaks		-	-	Medium
8:00 PM	US	Crude Oil Inventories	3.5M	(-2.0)M	(-2.0)M	Medium
Thursday, May 15, 2025						
11:30 AM	UK	GDP m/m		0.00%	0.50%	High
6:00 PM	US	Unemployment Claims		2.40%	2.40%	High
6:00 PM	US	PPI m/m		0.20%	-0.40%	High
6:00 PM	US	Retail Sales m/m		0.00%	1.40%	High
6:00 PM	US	Empire State Manufacturing Index		-7.9	-8.1	Medium
6:10 PM	US	Fed Chair Powell Speaks		-	-	High
6:45 PM	US	Industrial Production m/m		0.20%	-0.30%	Medium
8:00 PM	US	Natural Gas Storage			104B	Medium
Friday, May 16, 2025						
6:00 PM	US	Building Permits		1.45M	1.48M	Medium
7:30 PM	US	Prelim UoM Consumer Sentiment		53.1	52.2	High
7:30 PM	US	Prelim UoM Inflation Expectations		-	6.50%	High



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