

May 9, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	June	Sell	96500-96550	95700	97000	Intraday

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News and Developments

- Spot gold prices ended on the negative note losing almost 2%, while Silver prices ended flat yesterday. Gold prices extended losses on strong dollar and ease in trade war concerns after US President Donald Trump announced deal with UK. Meanwhile, as per media report China's central bank has approved foreign exchange purchases by commercial banks to pay for gold imports under recently increased quotas
- US Dollar ended on the positive note gaining 0.77% yesterday as bilateral trade deal between US and UK, raised hopes of such more deals with other major trading partners. Moreover, US Federal Reserve had left its benchmark interest rate steady, in line with market expectations.
- US President Donald Trump and British Prime Minister Keir Starmer announced a bilateral trade deal. A 10% tariff on goods imported from the UK remains in place while Britain agreed to lower its tariffs to 1.8% from 5.1% and provide greater access to US goods
- US treasury yields edged higher yesterday as trade deal between US and Britain spurred optimism that similar deal may be struck with other countries, easing global trade tensions. The benchmark US Treasury 10-year yield rose to 4.380%. While 2-year treasury yield, which typically moves in step with interest rate expectations increased to 3.880%.
- Crude oil prices settled higher yesterday gaining more than 4% yesterday on hopes of breakthrough in trade talks between US and China, scheduled this week. Further, US imposed sanctions on a 3rd Chinese independent oil refinery and port terminal operators in China for purchases of Iranian oil
- Copper prices ended on the positive note as easing trade tension boosted sentiments
- Natural gas prices remained under pressure as EIA said energy firms added 104bcf of gas into storage during the week ended 2nd May

Source: Bloomberg, ICICI Direct Research

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	96168	-0.95%	3305.7	-1.75%
Silver	96512	0.81%	32.46	0.02%
Copper	855.9	1.17%	9431.5	0.13%
Aluminium	234.3	2.43%	2412.5	1.26%
Zinc	251.1	1.80%	2619.0	0.10%
Lead	178.3	0.48%	1944.5	-0.66%
WTI Crude Oil	5163	4.24%	59.91	3.17%
US Nat Gas	306.8	0.62%	3.59	-0.80%

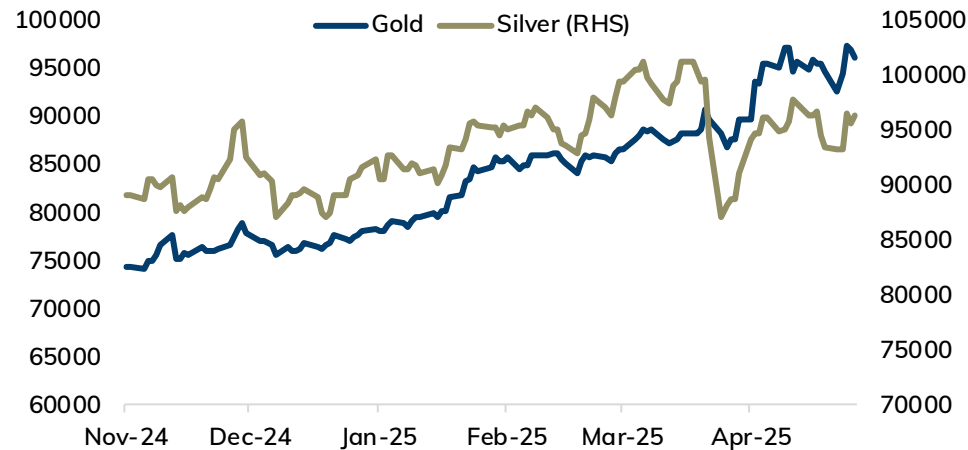
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th May)	85.62	0.86%	1198153	48192	504532	237146
EURINR (28th May)	96.79	0.22%	27092	439	4390	586
GBPINR (28th May)	113.95	0.52%	16195	956	3675	1020

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Silver Micro	June	Sell	96200-96300	95000	96900	Target achieved

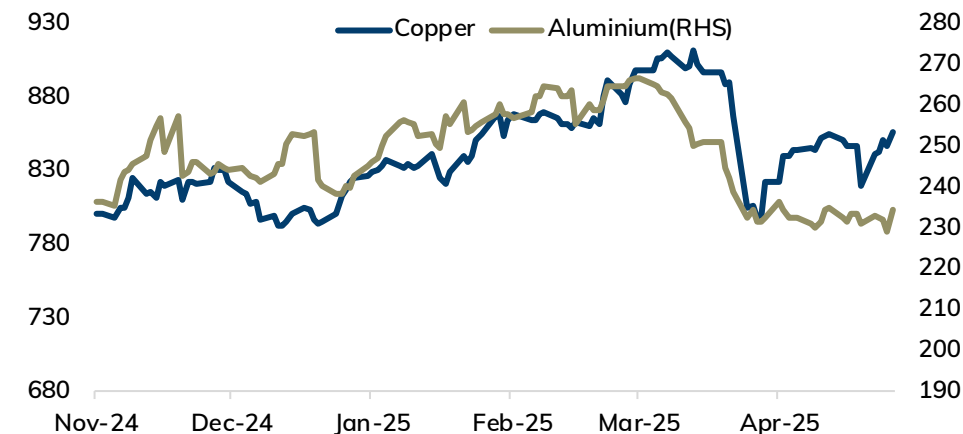
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to slip further towards \$3270 level on strong dollar and surge in US treasury yields. Further, demand for safe haven may fade on optimism over potential trade deal between US and its major trading partners after US and UK announced a bilateral trade deal. Moreover, investors hope breakthrough in trade talks between US and China when they meet on Saturday. Additionally, US Federal Reserve has left its interest rate steady and signaled that central bank is in no hurry to cut interest rate. Furthermore, market will keep a close eye on speeches from several Fed officials for further insight into economy and central banks policy path. Meanwhile, sharp fall may be cushioned on rising geopolitical tension between India and Pakistan
- Spot gold is likely to slip further towards \$3270 level as long as it stays below \$3350 level. MCX Gold June is expected to slip back towards ₹95,000 level as long as it stays below ₹96,800 level
- MCX Silver July is expected to slip further towards ₹94,300 level as long as it trades below ₹96,700 level.

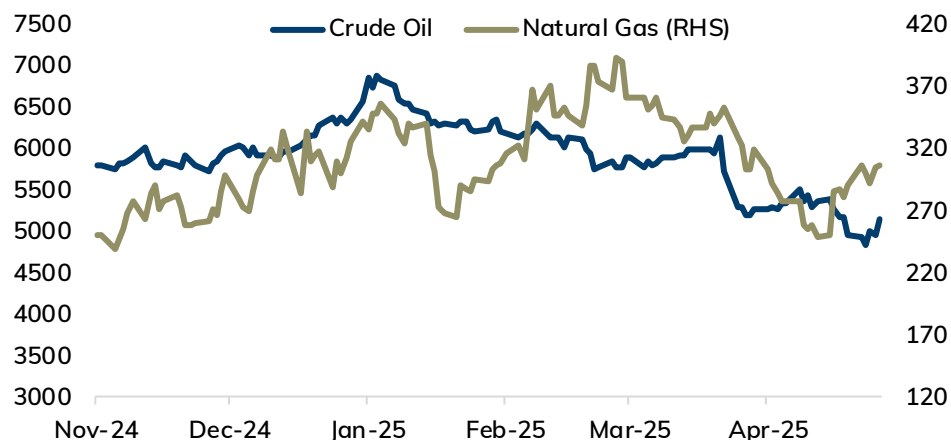
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with positive bias on rise in risk appetite in the global markets and as China has announced raft of stimulus measures to soften economic damage caused by US tariffs. Moreover, Yangshan copper premium, which reflects demand for copper imported into China, reached \$102 per ton. Additionally, bilateral trade deal between US and UK, raised hopes of such more deals with other major trading partners, easing global trade war concerns. Further, hopes of a breakthrough in trade talks between US and China when they meet on 10th May in Switzerland
- MCX Copper May is expected to rise towards ₹862 level as long as it stays above ₹842 level. A break above ₹862 level prices may rise further towards ₹867 level
- MCX Aluminum May is expected to rise towards ₹237 level as long as it stays above ₹232 level. MCX Zinc May is likely to move north towards ₹254 level as long as it stays above ₹248 level.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to trade with positive bias and rise towards \$61.50 level on optimistic global market sentiments. Further, US and China's top officials will meet this week for negotiation over tariffs, step towards resolving trade dispute. While, the announcement of trade agreement between US and Britain added to the positive sentiment. Additionally, US imposed sanctions on 2 small Chinese refiners for buying Iranian crude oil. However, sharp upside may be capped on strong dollar. Moreover, OPEC+ will increase oil output which could limit further price gains.
- MCX Crude oil May is likely to rise further towards ₹5280 level as long as it stays above ₹5050 level. A break above ₹5280 prices may rally further towards ₹5380 level.
- MCX Natural gas May is expected to rise further towards ₹320 level as long as it stays above ₹296 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	94349	95258	96291	97200	98233
Silver	93987	95249	95975	97237	97963
Copper	835.8	845.9	851.3	861.3	866.7
Aluminium	226.5	230.4	232.5	236.4	238.5
Zinc	242.4	246.7	249.1	253.4	255.7
Lead	176.0	177.1	177.7	178.9	179.5
Crude Oil	4865	5014	5091	5240	5317
Nat Gas	295	301	309	316	324

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (May)	84.11	84.87	85.38	86.13	86.64
US\$INR (June)	84.32	85.05	85.54	86.27	86.76
EURINR (May)	95.45	96.12	96.56	97.23	97.67
EURINR (June)	94.28	95.70	94.28	95.70	94.28
GBPINR (May)	112.39	113.17	113.63	114.41	114.87
GBPINR (June)	110.25	112.24	110.25	112.24	110.25
JPYINR (May)	58.86	59.07	59.26	59.47	59.66
JPYINR (June)	57.41	58.49	57.41	58.49	57.41

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	100.64	99.61	1.03%
US\$INR	85.72	84.83	1.05%
EURUSD	1.1228	1.1301	-0.65%
EURINR	96.74	96.34	0.42%
GBPUSD	1.3246	1.3292	-0.35%
GBPINR	113.79	113.11	0.61%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.398	6.337	0.06
US	4.379	4.269	0.11
Germany	2.535	2.475	0.06
UK	4.546	4.460	0.09
Japan	1.335	1.307	0.03

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
26-03-2025	8:00 PM	-3.3M	1.5M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	194275	300	0.15%
Aluminium	405575	-2000	-0.49%
Zinc	170650	-750	-0.44%
Lead	255150	-1550	-0.60%
Nickel	198312	-1470	-0.74%

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, May 5, 2025						
7:30 PM	US	ISM Services PMI	51.6	50.2	50.8	High
Tuesday, May 6, 2025						
7:15 AM	China	Caixin Services PMI	50.7	51.7	51.9	Medium
2:30 PM	Europe	PPI m/m	-1.60%	-1.40%	0.20%	Medium
6:00 PM	US	Trade Balance	-140.5B	-124.7B	-122.7B	Medium
Wednesday, May 7, 2025						
11:30 AM	Europe	German Factory Orders m/m	3.60%	1.10%	0.00%	Medium
2:00 PM	UK	Construction PMI	46.6	46	46.4	Medium
2:30 PM	Europe	Retail Sales m/m	-0.10%	-0.10%	0.30%	Medium
8:00 PM	US	Crude Oil Inventories	-2.0M	-1.7M	-2.7M	Medium
11:30 PM	US	Federal Funds Rate	4.50%	4.50%	4.50%	High
Thursday, May 8, 2025						
11:30 AM	Europe	German Industrial Production m/m	3.00%	0.90%	-1.30%	Medium
4:30 PM	UK	Official Bank Rate	4.25%	4.25%	4.50%	High
6:00 PM	US	Unemployment Claims	228k	232K	241K	High
8:00 PM	US	Natural Gas Storage	104B	103B	107B	Medium
Friday, May 9, 2025						
Tentative	China	USD-Denominated Trade Balance	-	94.3B	102.6B	Medium
2:10 PM	UK	BOE Gov Bailey Speaks	-	-	-	High



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