

February 25, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	March	Sell	866-866.50	858	870	Intraday

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News and Developments

- Spot gold prices made fresh high on Monday, and settled above \$2950 per ounce for the first time. Safe haven demand and persistent inflows in to the Gold ETF's supported its rally. Further, weakness in US treasury yield and tariff concerns also helped it to gain more than 0.50% on Monday. Meanwhile, a strong dollar restricted its up move.
- Spot silver failed to capitalize its gains and settled below \$32.50 per ounce amid weaker than expected economic numbers from US. Last month US consumer sentiments declined to 15-month lows.
- U.S. dollar index witnessed a sharp rebound from its 2-month lows and settled just below 106.80 as most investors turned cautious ahead of the key economic numbers from US. Further uncertainty on tariffs and peace talk on Russia and Ukraine also left trades tangled.
- US 10-year treasury yields moved lower and hit its lowest level in 2 and half month lows amid weaker than expected economic numbers from US. Last weeks weaker service PMI data has increased the chances of 2 rate cuts in this year. Further stalled business activity after recent tariffs from Trump administration also increased the probability of 2 rate cuts to 48%.
- NYMEX Crude oil prices held steady above the \$70 mark as most investors awaits clarity on Russia- Ukraine war talks. Meanwhile, growing bets of improved supply from Kurdistan oil field by Iraq weighed on oil prices.
- Copper prices traded lower after the Trump administration launched fresh measures against China. The administration proposed fees on the use of commercial ships made in China. Further, ample inventory in China also eased supply concerns. Copper stocks in China rose above the 260,000 tonne mark, thrice the level from the start of the year, while bonded stocks doubled to 33,000.
- US natural gas futures lost more than 5% on Monday amid mild weather forecast in US, which would cut heating demand.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	86184	0.20%	2951.7	0.53%
Silver	96880	-1.13%	32.35	-0.33%
Copper	861.3	-0.49%	9494.5	-0.67%
Aluminium	262.1	-0.85%	2655.5	-1.21%
Zinc	267.6	-1.58%	2850.5	-2.65%
Lead	177.2	-0.78%	1988.0	-1.02%
WTI Crude Oil	6150	0.03%	70.70	0.43%
US Nat Gas	346.4	-4.55%	3.99	-5.67%

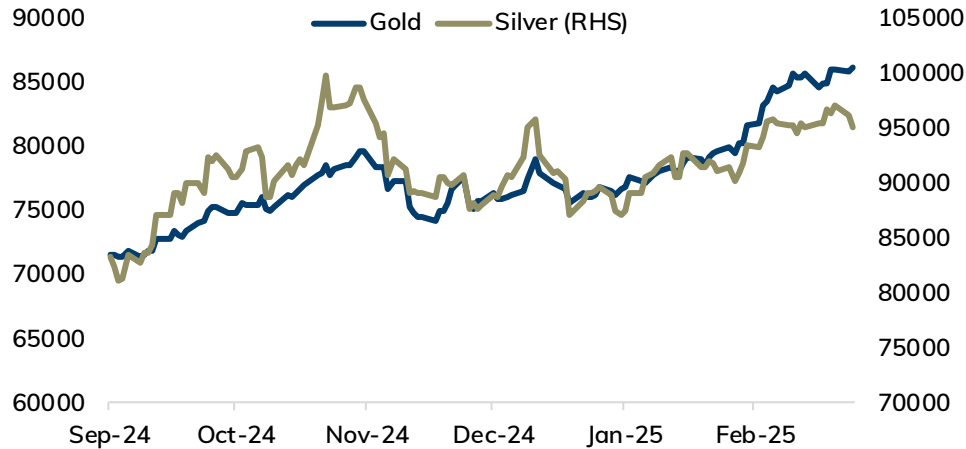
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (25th February)	86.72	0.05%	2643833	-347988	1190317	904246
EURINR (25th February)	90.89	0.15%	15562	-4445	5834	26
GBPINR (25th February)	109.73	0.06%	9891	-5655	10491	5872

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	March	Sell	6160-6170	6000	6250	Profit Booked

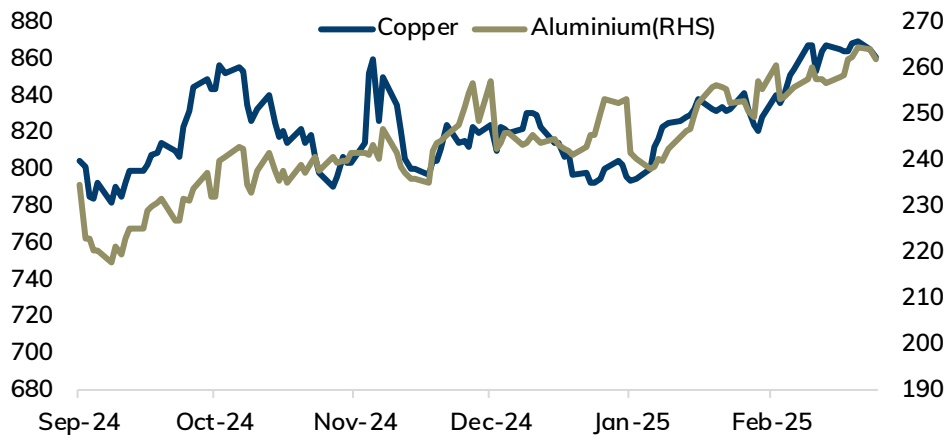
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to hold the support near \$2925 and move higher towards \$2975 amid tariff concerns. In a latest measure the Trump administration launched new trade and investment measures against China, which could increase safe haven demand. Further, increasing ETF holdings indicates rise in investor interest which could support prices to trade higher. Meanwhile, focus will remain on key economic numbers from US, which could bring further volatility in price.
- Gold price is likely to hold the key support of 10 day EMA at \$2925 and move towards \$2975. Unwinding of OI at ATM calls indicates an upward movement. MCX Gold April is expected to hold the support ₹85,600 and move towards ₹86,500 level. A move above ₹86,500, would open the doors towards ₹87,000.
- Spot silver, is expected hold the support near 20 day EMA at \$32 mark and rebound towards \$33.00. MCX Silver March is expected to rise towards ₹96,500, as long as it holds above ₹94,500.

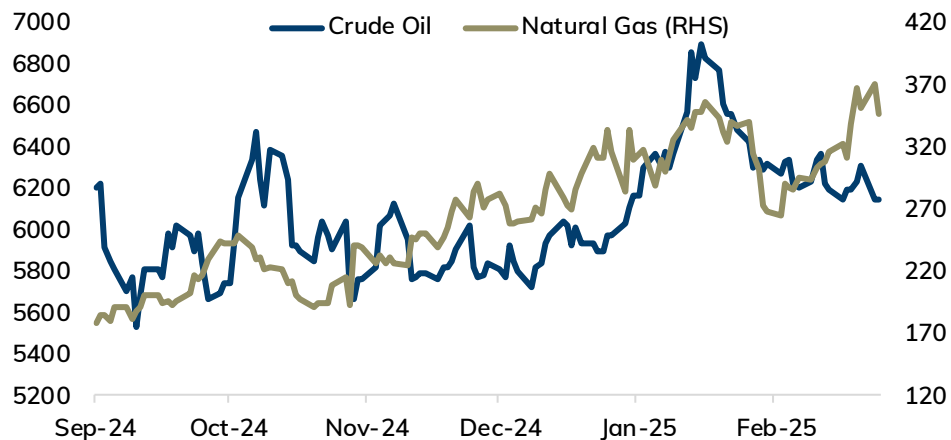
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to remain under pressure amid resurgence of tariff threats on China. Further, ample stocks in China would also reduce supply concerns. Negative treatment charges indicates larger extent of overcapacity in refined production. Meanwhile, focus will remain on any key economic numbers and any stimulus measure from China.
- MCX Copper March is expected to face the hurdle near ₹870 and move lower towards ₹858.
- MCX Aluminium March is expected to face the hurdle near ₹264 level and move lower towards ₹260 level. Weaker than expected economic numbers from US and a strong dollar would weigh on prices. Meanwhile, sanction on Russian imports by European nation would limit its downside. MCX Zinc March is likely to slip towards ₹268, as long as it stays under ₹272.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is likely to face the hurdle near \$72 and move lower towards \$69 amid easing risk premiums and hopes of supply improvement from Iraq. Meanwhile, focus will remain on OPEC+'s decision on April output rise. A further delay in output rise beyond April would provide some support to oil prices. Again, new US sanctions on Iran would also limit its downside. Moreover, investor will eye on the Russia-Ukraine peace deal and tariff measures from US.
- On the data front, addition of OI has been observed in ATM and OTM call strike, which suggests stiff resistance near \$72. On the downside \$70 would act as immediate support. A move below \$70 would weaken it further towards \$69. MCX Crude oil March is likely to face stiff resistance near ₹6250 and move lower towards ₹6000. A move below ₹6000 would open the doors towards ₹5900.
- MCX Natural gas March is expected to move lower towards ₹335, as long as it trades under ₹358.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	85571	85878	86196	86503	86821
Silver	95513	96197	97193	97877	98873
Copper	852.4	856.8	862.8	867.3	873.3
Aluminium	259.5	260.8	262.8	264.1	266.0
Zinc	264.2	265.9	268.8	270.5	273.5
Lead	175.4	176.3	177.9	178.8	180.4
Crude Oil	6064	6107	6134	6177	6204
Nat Gas	332	339	344	351	356

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Feb)	86.50	86.61	86.68	86.79	86.86
US\$INR (Mar)	86.72	86.82	86.90	87.00	87.08
EURINR (Feb)	90.62	90.75	90.95	91.09	91.28
EURINR (Mar)	90.82	90.96	91.19	91.34	91.56
GBPINR (Feb)	109.37	109.55	109.76	109.94	110.15
GBPINR (Mar)	109.56	109.68	109.85	109.97	110.14
JPYINR (Feb)	57.93	58.05	58.12	58.24	58.32
JPYINR (Mar)	59.32	58.79	59.32	58.79	59.32

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.60	106.61	-0.02%
US\$INR	86.71	86.71	0.00%
EURUSD	1.0468	1.0458	0.10%
EURINR	90.80	90.78	0.02%
GBPUSD	1.2625	1.2632	-0.06%
GBPINR	109.58	109.69	-0.11%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.704	6.706	0.00
US	4.400	4.431	-0.03
Germany	2.477	2.470	0.01
UK	4.564	4.571	-0.01
Japan	1.430	1.430	0.00

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
20-02-2025	10:30 PM	4.6M	3.2M
12-02-2025	9:00 PM	4.1M	2.4M
05-02-2025	9:00 PM	8.7M	2.4M
29-01-2025	9:00 PM	3.5M	2.2M
23-01-2025	9:30 PM	-1.0M	-0.1M
15-01-2025	9:00 PM	-2.0M	-1.0M
08-01-2025	9:00 PM	-1.0M	-1.8M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	267225	-525	-0.20%
Aluminium	535900	-4000	-0.74%
Zinc	161000	7400	4.82%
Lead	220550	425	0.19%
Nickel	192828	-78	-0.04%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, February 24, 2025						
2:30 PM	Europe	German ifo Business Climate	85.2	85.9	85.1	Medium
7:30 PM	Europe	Belgian NBB Business Climate	-12.3	-12.9	-13.6	Medium
Tuesday, February 25, 2025						
7:30 PM	US	S&P/CS Composite-20 HPI y/y	-	4.30%	4.30%	Medium
8:30 PM	US	CB Consumer Confidence	-	103.3	104.1	High
8:30 PM	US	Richmond Manufacturing Index	-	-2	-4	Medium
Wednesday, February 26, 2025						
12:30 PM	Europe	German GfK Consumer Climate	-	-21.6	-22.4	Medium
8:30 PM	US	New Home Sales	-	677K	698K	Medium
9:00 PM	US	Crude Oil Inventories	-	-	4.6M	Medium
Day 1	All	G20 Meetings	-	-	-	Medium
Thursday, February 27, 2025						
7:00 PM	US	Prelim GDP q/q	-	2.30%	2.30%	High
7:00 PM	US	Unemployment Claims	-	220K	219K	High
7:00 PM	US	Durable Goods Orders m/m	-	2%	-2.20%	High
7:00 PM	US	Prelim GDP Price Index q/q	-	2.20%	2.20%	Medium
8:30 PM	US	Pending Home Sales m/m	-	-1.30%	-5.50%	Medium
9:00 PM	US	Natural Gas Storage	-	-	-196B	Medium
Day 2	All	G20 Meetings	-	-	-	Medium
Friday, February 28, 2025						
5:00 AM	Japan	Tokyo Core CPI y/y	-	2.30%	2.50%	Medium
All Day	Europe	German Prelim CPI m/m	-	0.40%	-0.20%	High
7:00 PM	US	Core PCE Price Index m/m	-	0.30%	0.20%	High
7:00 PM	US	Personal Spending m/m	-	0.20%	0.70%	Medium
8:15 PM	US	Chicago PMI	-	40.3	39.5	Medium



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