

March 4, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	March	Sell	6020-6030	5850	6120	Intraday

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News and Developments

- Spot gold prices ended on positive note gaining 1.2%, while Silver prices gained by 1.75% yesterday. Gold prices rallied on weakness in dollar and decline in US treasury yields. Further, prices moved north on safe haven buying amid concerns over US President Donald Trump's tariff policies.
- US Dollar ended on the negative note losing almost 1% amid weaker-than-expected economic data from US. Further, strength in Euro undercut the dollar as better economic numbers from euro zone and hopes for Ukraine peace deal boosted government bond yields.
- US February ISM manufacturing index fell 0.6 to 50.3, weaker than expectations of 50.7. The February ISM prices paid sub-index rose 7.5 to a 2-1/2 year high of 62.4, stronger than expectations of 56.0. US January construction spending fell 0.2% mom, slightly weaker than expectations of 0.1% mom and the biggest decline in 4 months.
- U.S. Treasury yields rose slipped yesterday after weaker than expected manufacturing PMI data and as deadline for tariffs be enacted by US President Donald Trump draws closer. Moreover, recent batch of weak economic data from US has increased the bets that US Fed would be more active in lowering interest rates. Markets are pricing in 67 bps of cuts by the Fed this year. The benchmark US Treasury 10-year yield slipped to 4.159%. While 2-year treasury yield, which typically moves in step with interest rate expectations softened to 3.958%.
- Crude oil prices settled lower yesterday losing more than 2% on reports that OPEC+ will proceed with a planned oil output increase in April. OPEC+ has been cutting output by 5.85 mbpd, equal to about 5.7% of global supply.
- Copper prices ended on the positive note gaining more than 0.5% yesterday on weak dollar. Further, US President Donald trump has launched a probe into potential new tariffs on copper imports

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	85384	1.38%	2892.7	1.22%
Silver	96055	1.83%	31.68	1.71%
Copper	866.1	0.52%	9419.0	0.65%
Aluminium	258.6	0.51%	2611.0	0.21%
Zinc	270.1	1.26%	2843.0	1.79%
Lead	180.6	0.08%	1992.5	0.00%
WTI Crude Oil	5989	-2.11%	68.37	-1.99%
US Nat Gas	355.0	4.78%	4.12	7.51%

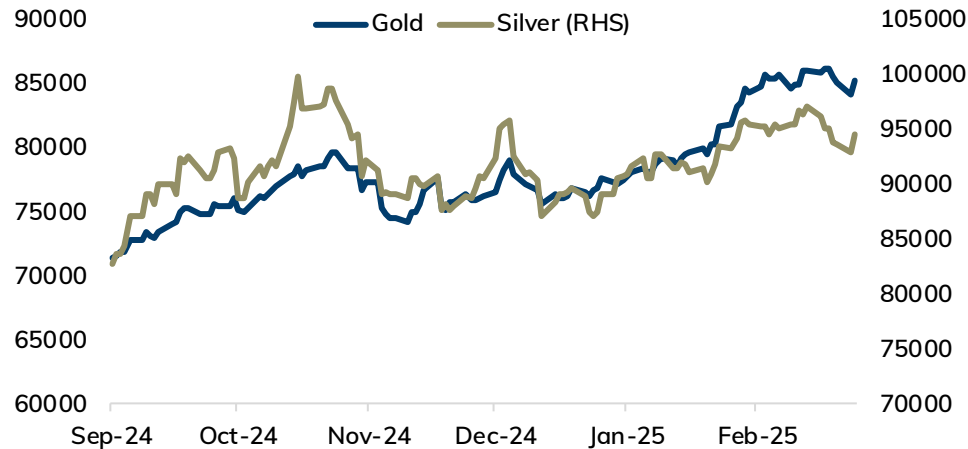
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th March)	87.47	-0.09%	1649530	114983	515769	-206281
EURINR (26th March)	91.45	0.36%	20034	605	3633	-1333
GBPINR (26th March)	110.59	0.36%	7805	-2799	5666	2995

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Natural gas	March	Sell	338-339	326	345	Stoploss Triggered

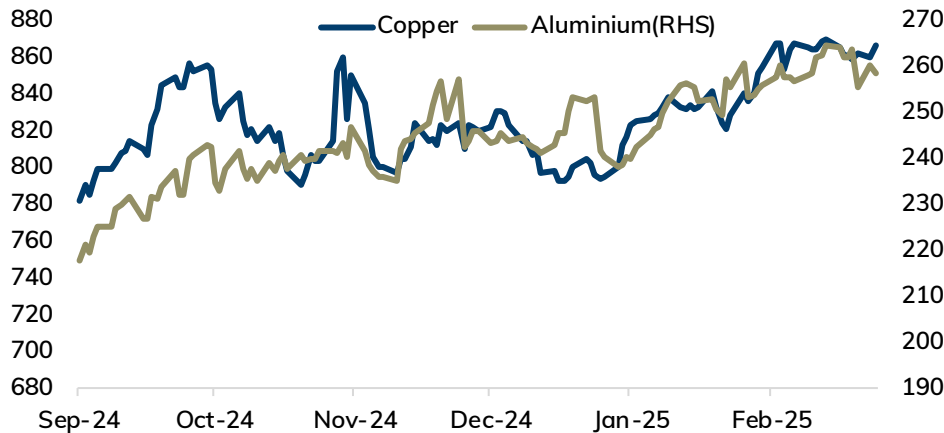
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to trade with positive bias amid weakness in dollar and decline in US treasury yields. Yields are moving south as weaker than expected economic data from US raised alarm that economic growth is slowing down, which may prompt US Federal Reserve to keep lowering interest rates. Additionally, demand for safe haven would go up amid concerns over global trade war after US President Donald Trump said that 25% tariffs on goods from Mexico and Canada will take effect on Tuesday and reciprocal tariffs would take effect on April 2 on countries that impose duties on US products and reaffirmed that tariffs on all Chinese imports will increase to 20% from previous 10% levy.
- Spot gold is likely to hold the support near \$2865 level and rise towards \$2920 level. MCX Gold April is expected to rise back towards ₹85,900 level as long as it stays above ₹84,800 level.
- MCX Silver May is expected to rise towards ₹96,700 level as long as it trades above ₹95,000 level.

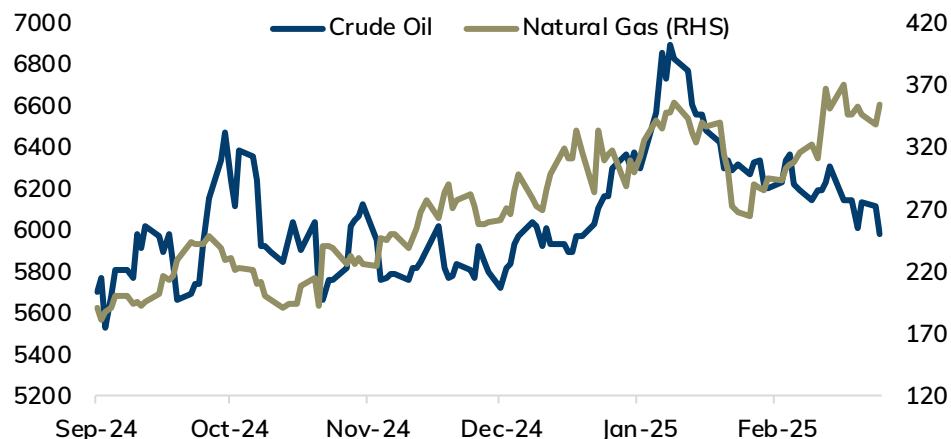
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with negative bias amid risk aversion in the global markets. Further, prices may dip on concerns over global trade war, which may have adverse effect on economic growth denting demand for industrial metal. Additionally, investors fear that global trade war would fuel inflation making it difficult for major central banks across globe to continue with their easing monetary policy. Moreover, on supply side copper stocks in China rose toward 270,000 tonne mark, thrice the level from the start of the year.
- MCX Copper March is expected to slip towards ₹860 level as long as it stays below ₹871 level. A break below ₹860 level copper prices may slip further towards ₹857 level
- MCX Aluminium March is expected to correct further till ₹256 level as long as it trades below ₹260 level. MCX Zinc March is likely to slip back towards ₹267 level as long as it stays below ₹272 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to trade with negative bias and slip further towards \$67 level on weak global market sentiments. Further, prices may slip on worries that US trade policies would trigger global trade war hurting global economic growth and oil demand. Additionally, OPEC+ is likely to proceed with a planned April output increase. Moreover, risk premium is fading as Britain said several proposals had been made for a truce in fighting between Ukraine and Russia. Furthermore, there is a belief in the market that US may give Russia sanctions relief to restore ties with Moscow and put an end to the war in Ukraine
- MCX Crude oil March is likely to face stiff resistance near ₹6120 level and slip further towards ₹5850 level. A break below ₹5850 prices may dip further towards ₹5800 level.
- MCX Natural gas March is expected to hold the support near ₹340 level and rise back towards ₹365 level

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	84190	84787	85108	85705	86026
Silver	93750	94902	95676	96828	97602
Copper	856.5	861.3	865.0	869.8	873.5
Aluminium	256.6	257.6	258.3	259.3	260.0
Zinc	265.5	267.8	269.2	271.5	273.0
Lead	179.9	180.2	180.5	180.8	181.0
Crude Oil	5818	5903	6026	6111	6234
Nat Gas	312	334	350	371	387

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	87.30	87.39	87.47	87.55	87.63
US\$INR (Apr)	87.58	87.65	87.71	87.78	87.84
EURINR (Mar)	90.97	91.21	91.33	91.57	91.70
EURINR (Apr)	92.68	92.39	92.68	92.39	92.68
GBPINR (Mar)	109.99	110.29	110.47	110.77	110.95
GBPINR (Apr)	108.44	109.82	108.44	109.82	108.44
JPYINR (Mar)	58.35	58.43	58.48	58.56	58.62
JPYINR (Apr)	58.21	58.50	58.21	58.50	58.21

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	107.24	106.42	0.78%
US\$INR	87.20	87.21	-0.01%
EURUSD	1.0398	1.0485	-0.83%
EURINR	91.43	91.35	0.09%
GBPUSD	1.2601	1.2676	-0.59%
GBPINR	110.56	110.10	0.42%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.709	6.706	0.00
US	4.260	4.256	0.00
Germany	2.413	2.433	-0.02
UK	4.512	4.502	0.01
Japan	1.401	1.367	0.03

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
26-02-2025	9:00 PM	-2.3M	2.5M
20-02-2025	9:00 PM	4.6M	3.2M
12-02-2025	9:30 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

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	261050	-1025	-0.39%
Aluminium	517150	-4050	-0.78%
Zinc	163600	-825	-0.50%
Lead	212650	-2150	-1.00%
Nickel	195162	198	0.10%

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, March 03, 2025						
7:15 AM	China	Caixin Manufacturing PMI	50.8	50.4	50.1	Medium
3:30 PM	Europe	CPI Flash Estimate y/y	2.40%	2.30%	2.50%	Medium
8:30 PM	US	ISM Manufacturing PMI	50.3	50.6	50.9	High
Tuesday, March 04, 2025						
7:45 PM	Japan	BOJ Gov Ueda Speaks	-	-	-	High
Wednesday, March 05, 2025						
7:15 AM	China	Caixin Services PMI	-	50.8	51	Medium
6:45 PM	US	ADP Non-Farm Employment Change	-	144K	183K	High
8:30 PM	US	ISM Services PMI	-	53	52.8	High
9:00 PM	US	Crude Oil Inventories	-	-	-2.3M	Medium
Thursday, March 06, 2025						
3:00 PM	UK	Construction PMI	-	49.8	48.1	Medium
All Day	Europe	Euro Summit	-	-	-	High
6:45 PM	Europe	Main Refinancing Rate	-	2.65%	2.90%	High
7:00 PM	US	Unemployment Claims	-	236K	242K	High
9:00 PM	US	Natural Gas Storage	-	-	-261B	Medium
Friday, March 07, 2025						
Tentative	China	USD-Denominated Trade Balance	-	-	104.8B	Medium
12:30 PM	Europe	German Factory Orders m/m	-	-2.40%	6.90%	Medium
7:00 PM	US	Average Hourly Earnings m/m	-	0.30%	0.50%	High
7:00 PM	US	Non-Farm Employment Change	-	156K	143K	High
7:00 PM	US	Unemployment Rate	-	4%	4%	High
11:00 PM	US	Fed Chair Powell Speaks	-	-	-	High



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