

June 3, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	June	Sell	869-870	860	874	Intraday

Research Analysts

Jay Thakkar
jay.thakkar@icicisecurities.com

Raj Deepak Singh
rajdeepak.singh@icicisecurities.com

Saif Mukadam
saif.mukadam@icicisecurities.com

Anup Sahu
anup.sahu@icicisecurities.com

News and Developments

- Spot Gold prices climbed to 2-week high and Silver hit 2-month high amid weakness in dollar and safe haven buying. Renewed global trade tensions boosted demand for safe haven assets. In a latest move US President Donald Trump has announced to double tariffs on steel and Aluminium imports to 50%, from June 4th.
- US Dollar ended on the negative note losing more than 0.5% yesterday amid renewed trade uncertainty and weaker than expected US economic numbers. US ISM manufacturing PMI contracted for the 3rd month in a row suggesting sluggish growth in the manufacturing activity. The dollar lost its ground against major currencies like euro, yen and the Australian dollar after the US President Donald Trump announced to hike the tariffs on Steel and Aluminium imports. Furthermore, dovish comments from Fed members also weighed on the dollar to slide towards 1-month low.
- U.S. 10-year treasury yields edged higher above 4.44% and 2-year yields, which typically moves in step with interest rate expectations rose to 3.93%.
- NYMEX Crude oil prices gained almost 4% on Monday despite a rise in OPEC+'s output in July. Prices got support amid escalating geopolitical tension between Russia and Ukraine. This has offset OPEC+'s additional 411,000 barrels of oil a day production increase for July. Meanwhile, some members including Russia has objected for such rise. These eased concerns of further large production hike in the second half of the year.
- Copper prices gained more than 1% and hit 2-month highs as investors braced for the possibility of US tariffs on copper imports. Furthermore, depleting LME inventories also supported the red metal to trade higher. LME inventories has hit its lowest in almost 2-years.
- NYMEX natural Gas gained more than 8% in a single day on forecast of hotter weather in US.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	97953	2.17%	3381.6	2.81%
Silver	101011	4.12%	34.76	5.39%
Copper	867.9	0.92%	9616.5	1.25%
Aluminium	238.6	1.36%	2466.0	0.90%
Zinc	254.4	-1.01%	2698.0	2.98%
Lead	178.6	1.80%	1981.0	1.17%
WTI Crude Oil	5375	3.31%	62.52	2.85%
US Nat Gas	314.7	6.17%	3.69	7.17%

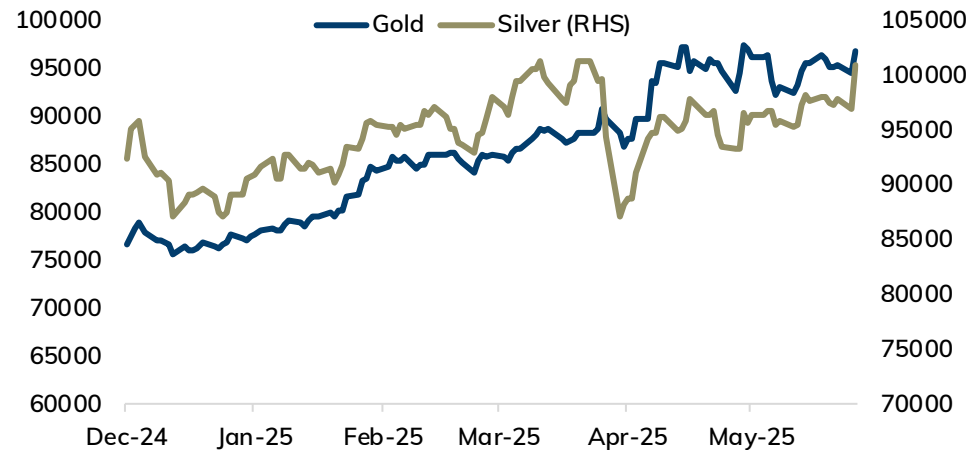
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th June)	85.53	-0.19%	1074657	16741	318333	2141
EURINR (26th June)	97.80	0.59%	30439	1855	9545	-575
GBPINR (26th June)	115.75	0.23%	17911	1400	3454	-868

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Gold Mini	July	Buy	95350-95400	96200	94900	Not Initiated

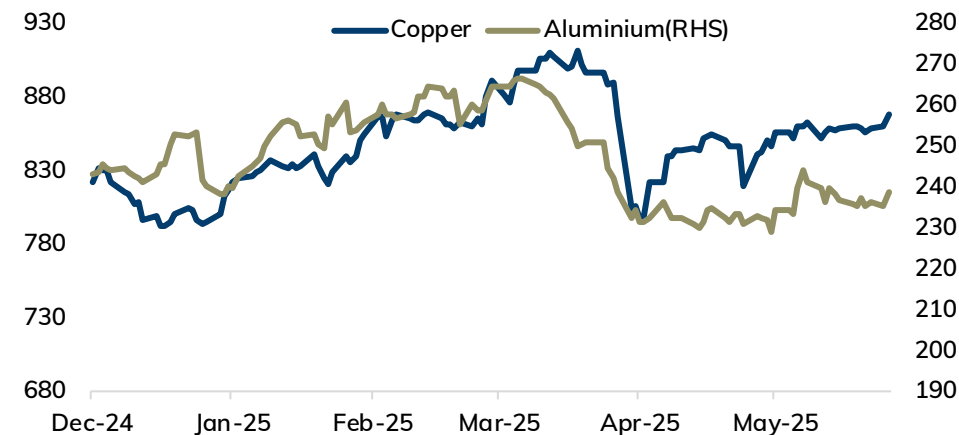
MCX Gold vs. Silver



Bullion Outlook

- Spot Gold is expected to rise further towards \$3400 amid weakness in dollar and softening of U.S. treasury yields. Further, demand for safe haven may increase on escalating trade tension between US and China. Investors fear that uncertainty over tariffs may impact trade talks. China has accused US of unilaterally introducing new discriminatory trade restriction. In addition, dovish Fed comments has fueled the chance of more rate cuts in this year. Furthermore, prices would get support amid geopolitical tensions in Ukraine and the Middle East
- Spot gold is likely to rise towards \$3400 level as long as it stays above \$3340 level. MCX Gold Aug is expected to rise towards ₹98,000 level as long as it stays above ₹96,500 level
- MCX Silver July is expected to face resistance near ₹102,000 level and move towards immediate support at ₹99,000 level. Only break above ₹102,000 level prices may open the doors towards ₹103,500 level

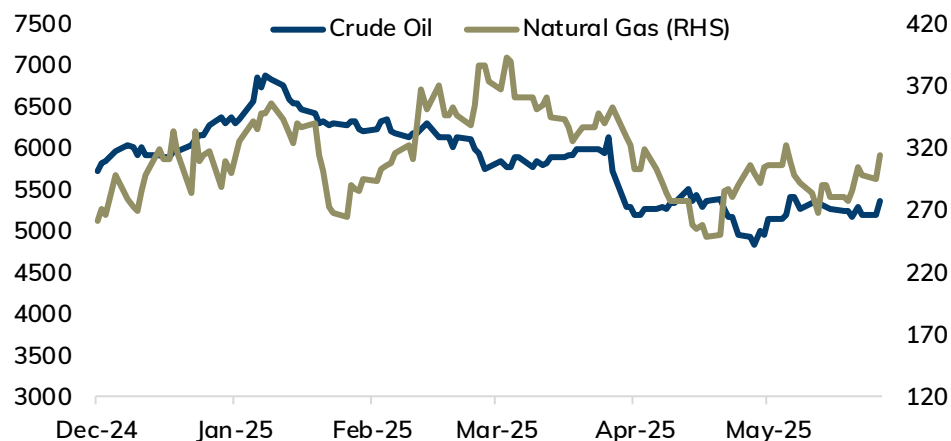
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to take a pause in its rally amid trade tension and easing worries over tariffs on Copper imports. Further, disappointing economic data from U.S. raised concerns over slowdown in economic activity. Moreover, sluggish growth in manufacturing activity in China would also restrict any major up move. China's manufacturing activity contracted again and hit lowest level since September 2022. Manufacturing output in May declined alongside a renewed fall in new orders. Export orders also shrank at a faster pace. Meanwhile, weakness in dollar and threat to global copper supply may cushion sharp fall in prices.
- MCX Copper June is expected to slip towards ₹860 level as long as it stays below ₹874 level. On contrary, a break above ₹874 level prices may rally towards ₹880 level
- MCX Aluminum June is expected to hold the support at ₹236 level and move higher towards ₹241 level. MCX Zinc June is likely to move north towards ₹257 level as long as it stays above ₹250 level.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- Crude oil is likely to hold its gains and move towards \$64 mark amid ongoing geopolitical tension. No result from the 2nd direct peace talks between Russia and Ukraine has dampened hopes of any resolution. Meanwhile, disappointing economic data from U.S. signals crack in economy and deteriorating outlook. Furthermore, higher supplies from OPEC+ in July would restrict any major upside in oil prices. Moreover, renewed trade tensions would also weigh on investor sentiments.
- On the data front a strong call base at \$65 would act as major hurdle for now. As long as it resists prices are likely to consolidate in the band of \$60 and \$65 per barrel
- MCX Crude oil June is likely to hold the support at ₹5200 level and move higher towards ₹5400 level.
- MCX Natural gas June is expected to rise towards ₹324 level as long as it stays above ₹305 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	95419	96686	97368	98635	99317
Silver	95737	98374	99759	102396	103781
Copper	854.4	861.1	871.9	878.6	889.4
Aluminium	233.2	235.9	237.3	240.0	241.5
Zinc	248.6	251.5	253.2	256.1	257.9
Lead	177.4	178.0	178.4	179.0	179.4
Crude Oil	5153	5264	5361	5472	5569
Nat Gas	293	304	311	322	329

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (June)	85.29	85.41	85.55	85.67	85.81
US\$INR (July)	85.46	85.56	85.69	85.79	85.92
EURINR (June)	97.06	97.43	97.66	98.03	98.27
EURINR (July)	95.72	97.07	95.72	97.07	95.72
GBPINR (June)	115.15	115.45	115.65	115.96	116.16
GBPINR (July)	112.18	114.24	112.18	114.24	112.18
JPYINR (June)	59.47	59.73	59.90	60.17	60.34
JPYINR (July)	59.03	59.79	59.03	59.79	59.03

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	98.71	99.33	-0.63%
US\$INR	85.39	85.58	-0.23%
EURUSD	1.1441	1.1347	0.83%
EURINR	97.55	96.94	0.63%
GBPUSD	1.3544	1.3459	0.63%
GBPINR	115.63	115.28	0.30%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.266	6.288	-0.02
US	4.440	4.400	0.04
Germany	2.524	2.500	0.02
UK	4.667	4.647	0.02
Japan	1.513	1.501	0.01

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
30-05-2025	9:30 PM	-2.8M	0.3M
21-05-2025	8:00 PM	1.3M	-0.9M
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

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	148450	-1425	-0.95%
Aluminium	370275	-2250	-0.60%
Zinc	138150	-1000	-0.72%
Lead	284150	-2025	-0.71%
Nickel	200310	930	0.47%

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, June 2, 2025						
1:30 PM	Europe	Final Manufacturing PMI	49.4	49.1	49.4	Medium
7:30 PM	US	ISM Manufacturing PMI	48.5	49.3	48.7	High
10:30 PM	US	Fed Chair Powell Speaks	-	-	-	High
Tuesday, June 03, 2025						
7:30 AM	China	Caixin Manufacturing PMI		50.8	50.4	Medium
2:30 PM	Europe	CPI Flash Estimate y/y		2.00%	2.20%	Medium
7:30 PM	US	JOLTS Job Opening			7.19M	High
Wednesday, June 04, 2025						
5:45 PM	US	ADP Non-Farm Employment Change		110k	62k	High
7:30 PM	US	ISM Services PMI		52	51.6	High
8:00 PM	US	Crude Oil inventories			(-2.8)M	Medium
Thursday, June 05, 2025						
11:30 AM	Europe	German Factory Orders m/m		-1.10%	3.60%	Medium
2:00 PM	UK	Construction PMI		47.2	46.6	Medium
5:45 PM	Europe	Main Refinancing Rate		2.15%	2.40%	High
6:00 PM	US	Unemployment Claims		232k	240k	High
6:15 PM	Europe	ECB Press Conference		-	-	High
8:00 PM	US	Natural Gas Storage		-	110B	Medium
Friday, June 06, 2025						
10:00 AM	India	RBI Interest Rate Decision		5.75%	6.0%	High
11:30 AM	Europe	German Industrial Production m/m		-0.90%	3.00%	Medium
2:30 PM	Europe	Revised GDP q/q		0.40%	0.30%	Medium
6:00 PM	US	Average Hourly Earnings m/m		0.30%	0.20%	High
6:00 PM	US	Non-Farm Employment Change		130k	177k	High
6:00 PM	US	Unemployment Rate		4.2%	4.2%	High



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Bhavesh Soni Email address: headservicequality@icicidirect.com Contact Number: 18601231122

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