

February 3, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	February	Sell	829-830	821	834	Intraday

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News and Developments

- Spot gold prices ended on positive note gaining 0.14%, while Silver prices slipped by 1.06% Friday. Gold prices surpassed \$2800 mark for the first time amid rise in safe haven demand following US President Donald Trump tariff threats. Meanwhile, gold prices in the later half corrected from its new high of \$2817 level due to strong dollar and rise in US treasury yields. On MCX gold prices hit a fresh all-time high of Rs 83,360 per 10 grams in April Contract on Saturday ahead of Union Budget.
- US Dollar ended on the positive note gaining 0.29% on Friday after White house reiterated that President Donald Trump will impose tariffs on Saturday as planned. Media had reported that Trump would announce the tariffs on Canadian and Mexican imports on Saturday but would delay the collections until March, but White house spokesperson Karoline Leavitt denied the report and added that tariff duties would take effect immediately. Additionally, moderate increase in inflation and strong personal spending data supported dollar
- Early Morning, China's Yuan, Mexico's peso and Canada's dollar tumbled after US President Donald Trump on weekend ordered widespread tariffs on goods from this countries, triggering fears of an escalating trade war
- US Treasury yields rose on Friday ahead of new US tariffs due to be levied on imports from Mexico, Canada and China. Further, data showed strong consumer spending and a moderate increase in inflation in December. The benchmark US Treasury 10-year yield rose to 4.543%. While 2-year treasury yield, which typically moves in step with interest rate expectations softened to 4.207%.
- Crude oil prices settled higher on Friday gaining more than 0.76% as US President Donald Trump said he believes his administration may decrease proposed tariffs on Canadian oil from 25% to 10% and will impose duties on oil and gas around 18th February.
- Copper prices ended on the negative note losing 0.95% Friday on strong dollar and uncertainty surrounding US tariffs plans

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	82304	0.09%	2798.4	0.14%
Silver	93214	-0.12%	31.30	-0.92%
Copper	828.0	-0.10%	9048.0	-0.88%
Aluminium	250.0	-0.30%	2594.0	-1.24%
Zinc	262.4	-0.30%	2742.0	-1.84%
Lead	178.5	-0.53%	1949.5	-0.91%
WTI Crude Oil	6350	1.13%	72.53	-0.27%
US Nat Gas	267.3	0.68%	3.04	-0.10%

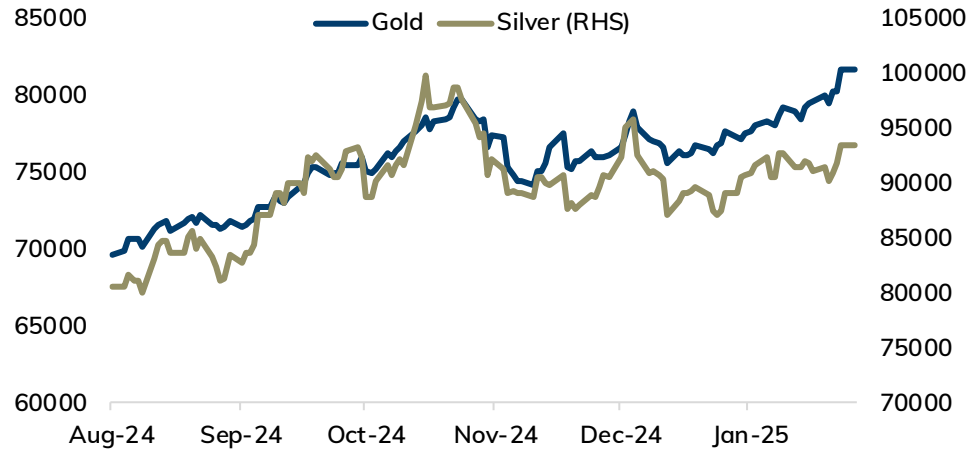
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (25th February)	86.79	0.00%	2550146	56745	561506	335241
EURINR (25th February)	90.21	-0.08%	17412	1571	5176	1837
GBPINR (25th February)	107.83	0.03%	17363	6951	10717	8974

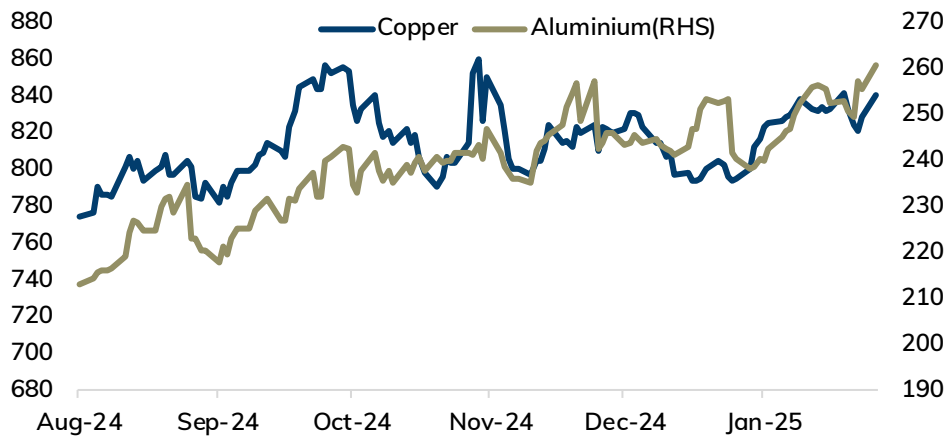
Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	February	Sell	830-831	822	835	Profit Booked

MCX Gold vs. Silver



MCX Copper vs. Aluminium



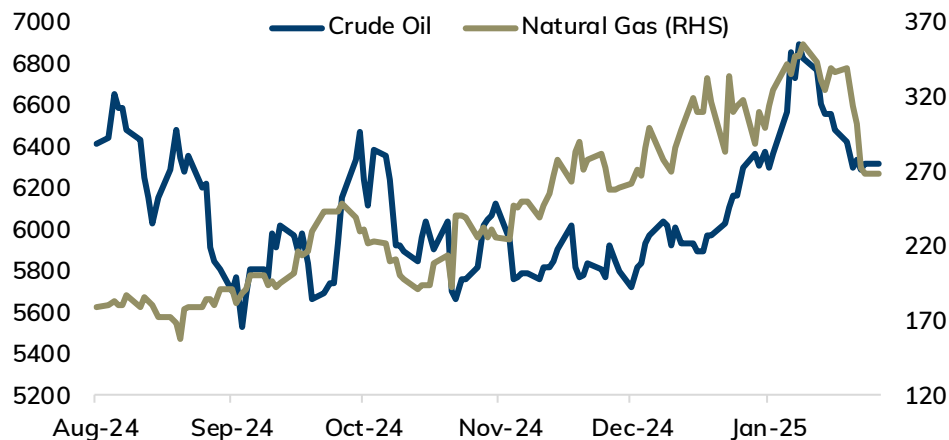
Bullion Outlook

- Spot Gold is likely to trade with positive bias amid rise in demand for safe haven as US President Donald Trump on weekend ordered widespread tariffs on goods from Mexico, Canada and China, triggering trade war that could dent global economic growth and reignite inflation. US imposed 25% tariffs on Mexican and most Canadian imports and 10% on goods from China, starting Tuesday. In retaliation Canada said it would impose 25% tariffs against \$155 billion worth US goods. Mexico also vowed retaliatory tariffs whereas China said it would challenge this move at the WTO and take counter measures. Meanwhile, strong dollar and rise in US Treasury yields may cap sharp upside in prices. Spot gold is likely to rise further towards \$2820 level as long as it trades above \$2770 level. MCX Gold April is expected to rise back towards ₹84,000 level as long as it stays above ₹82,700 level.
- Spot Silver is likely to rise further towards \$31.80 level as long as it holds the support near \$30.70. MCX Silver March is expected to rise further towards ₹94,500 level as long as it trades above ₹92,000 level

Base Metal Outlook

- Copper prices are expected to trade with negative bias on weak economic data from China and on fears that US President Donald Trump tariffs could disrupt global commodity trade and ignite trade war, hurting global economic growth and denting demand for industrial metal. Further, investors fear that Donald Trump policies like lower taxes and overhaul of immigration will reignite inflation, leaving more room for Fed to keep rates on hold for longer duration. Additionally, expectation of disappointing economic data from US will hurt prices. US ISM Manufacturing PMI is likely to show that activity in sector continued to remain in contraction phase.
- MCX Copper February is expected to slip towards ₹820 level as long as it stays below ₹835 level. A break below ₹820 level copper prices may slip further towards ₹815 level
- MCX Aluminium Feb is expected to correct further till ₹247 level as long as it trades below ₹252 level. MCX Zinc Feb is likely to slip further till ₹258 level as long as it stays below ₹265 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- Crude oil is expected to trade with positive bias as US President Donald Trump imposed tariffs on Canada, Mexico and China over the weekend, raising fears of disruption of crude supply from 2 of US biggest suppliers. White house official said Energy products from Canada will have only a 10% duty, but Mexican energy imports will be charged the full 25%. US imports some 4 mbpd of Canadian oil, 70% of which is processed by refiners in the Midwest and over 450,000 bpd of Mexican oil, mainly for refiners concentrated around the US Gulf Coast. Moreover, market will keep an close eye on OPEC+ ministerial meeting scheduled today.
- NYMEX Crude oil is likely to rise back towards \$75.00 level as long as it stays above \$73.0 level. MCX Crude oil Feb is likely to rise back towards ₹6450 level as long as it stays above ₹6250 level.
- MCX Natural gas Feb is expected to rise back towards ₹280 level as long as it trades above ₹264 level

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	80713	81509	82434	83230	84155
Silver	91518	92366	93383	94231	95248
Copper	825.0	826.5	828.7	830.2	832.4
Aluminium	247.6	248.8	250.2	251.3	252.7
Zinc	253.0	257.7	261.0	265.7	269.1
Lead	171.2	174.8	177.4	181.0	183.6
Crude Oil	6258	6304	6342	6388	6426
Nat Gas	262	264	267	270	272

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Feb)	86.69	86.74	86.79	86.84	86.88
US\$INR (Mar)	86.89	86.91	86.95	86.97	87.00
EURINR (Feb)	89.94	90.07	90.23	90.37	90.53
EURINR (Mar)	93.20	92.08	93.20	92.08	93.20
GBPINR (Feb)	107.63	107.73	107.80	107.91	107.98
GBPINR (Mar)	107.51	108.01	107.51	108.01	107.51
JPYINR (Feb)	56.47	56.54	56.59	56.66	56.71
JPYINR (Mar)	58.73	57.62	58.73	57.62	58.73

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.37	107.80	0.53%
US\$INR	86.62	86.63	-0.01%
EURUSD	1.0362	1.0391	-0.28%
EURINR	89.96	90.16	-0.22%
GBPUSD	1.2395	1.2419	-0.19%
GBPINR	107.59	107.79	-0.19%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.700	6.681	0.02
US	4.539	4.516	0.02
Germany	2.460	2.519	-0.06
UK	4.538	4.560	-0.02
Japan	1.245	1.217	0.03

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
02-01-2025	9:00 PM	-1.2M	-2.4M
27-12-2024	9:00 PM	-4.2M	-0.7M
18-12-2024	9:00 PM	-0.9M	-1.6M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	256225	-50	-0.02%
Aluminium	587850	0	0.00%
Zinc	180725	0	0.00%
Lead	221475	0	0.00%
Nickel	172302	0	0.00%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, February 03, 2025						
7:15 AM	China	Caixin Manufacturing PMI	50.10	50.60	50.50	Medium
3:30 PM	Europe	CPI Flash Estimate y/y		2.4%	2.4%	Medium
3:30 PM	UK	Final Manufacturing PMI		48.2	48.2	Medium
All Day	All	OPEC-JMMC Meetings		-	-	High
8:30 PM	US	ISM Manufacturing PMI		49.30	49.30	High
Tuesday, February 04, 2025						
8:30 PM	US	JOLTS Job Openings		7.88M	8.10M	High
8:30 PM	US	Factory Orders m/m		-0.70%	-0.40%	Medium
Wednesday, February 05, 2025						
6:45 PM	US	ADP Non-Farm Employment Change		149k	122k	High
8:30 PM	US	ISM Services PMI		54.20	54.10	High
9:00 PM	US	Crude Oil Inventories			3.5M	High
Thursday, February 06, 2025						
5:30 PM	UK	Official Bank Rate		4.50%	4.75%	High
5:30 PM	UK	BOE Monetary Policy		-	-	High
7:00 PM	US	Unemployment Claims		214k	207k	Medium
9:00 PM	US	Natural Gas Storage			(-321)B	Medium
Friday, February 07, 2025						
10:00 AM	India	RBI Interest Rate Decision		6.3%	6.5%	High
7:00 PM	US	Average Hourly Earnings m/m		0.3%	0.3%	High
7:00 PM	US	Non-Farm Employment Change		154k	256k	High
7:00 PM	US	Unemployment Rate		4.10%	4.10%	High
8:30 PM	US	Prelim UoM Consumer Sentiment		71.4	71.1	Medium
8:30 PM	US	Prelim UoM Inflation Expectations		-	3.30%	Medium



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