

May 26, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	June	Buy	5240-5250	5400	5150	Intraday

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News and Developments

- Spot gold prices ended on the positive note gaining almost 2.0%, while Silver prices gained 1.3% on Friday due to weakness in dollar and rise in demand for safe haven following renewed tariff threats from U.S President Donald Trump. He said he would recommend a 50% tariff on EU to begin on June 1, which would add levies on luxury items, pharmaceuticals and other goods produced by EU. On top of it, he threatened to impose 25% tariff on Apple for any iPhone sold but not manufactured in America.
- US Dollar ended on the negative note losing more than 0.5% on Friday as US President Donald Trump ratcheted up trade war again. He recommended EU to be hit with 50% tariffs beginning 1st June. Investors were worried about the impact of duties on global economic growth and global trade. Moreover, House of Representative passed U.S. President Donald Trump tax and spending plan, which would add to the swelling US budget deficit.
- Longer-dated U.S. Treasury yields fell after US President Donald Trump threatened to impose tariff on smartphone giant Apple and imports on EU, raising concerns over global economic growth. U.S. Treasury 10-year yield slipped to 4.509%. While 2-year treasury yield, which typically moves in step with interest rate expectations rose to 3.993%.
- Crude oil prices settled higher on Friday gaining more than 1.5% on weakness in dollar and short covering. Meanwhile, sharp upside was capped on renewed oversupply concerns after media reported that OPEC+ may agree to another increase in production levels.
- Copper prices ended on the positive note amid weakness in dollar and persistent decline in LME inventories
- Natural gas prices edged higher on Friday on forecasts for hotter-than-normal weather this summer

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	96421	0.93%	3357.5	1.91%
Silver	98054	0.26%	33.48	1.27%
Copper	859.9	0.08%	9610.0	1.15%
Aluminium	235.6	-0.55%	2463.5	0.31%
Zinc	257.8	-1.02%	2701.5	0.15%
Lead	176.8	-0.34%	1991.0	1.07%
WTI Crude Oil	5259	-0.11%	61.53	0.54%
US Nat Gas	281.3	0.14%	3.33	2.49%

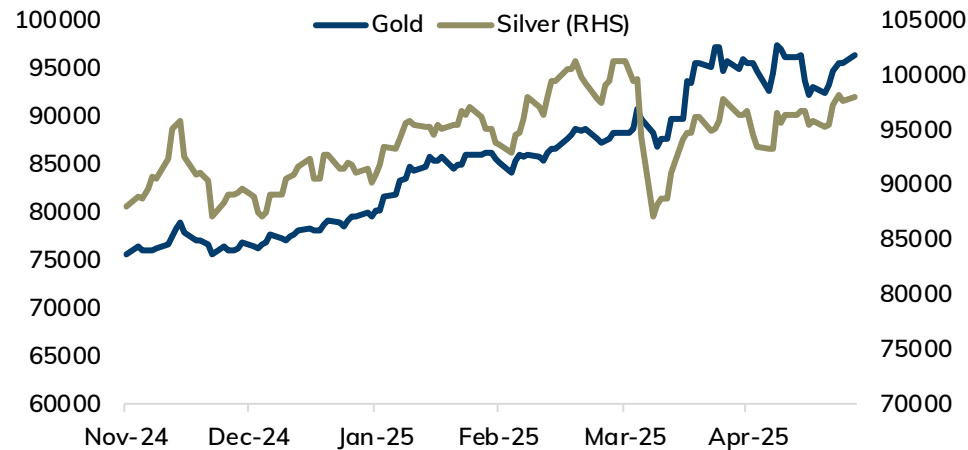
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (28th May)	85.35	-0.75%	758060	-82473	352391	38090
EURINR (28th May)	96.93	-0.25%	27456	-860	3490	-334
GBPINR (28th May)	115.25	-0.05%	29590	-434	3845	708

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	June	Sell	5300-5310	5150	5400	Not Initiated

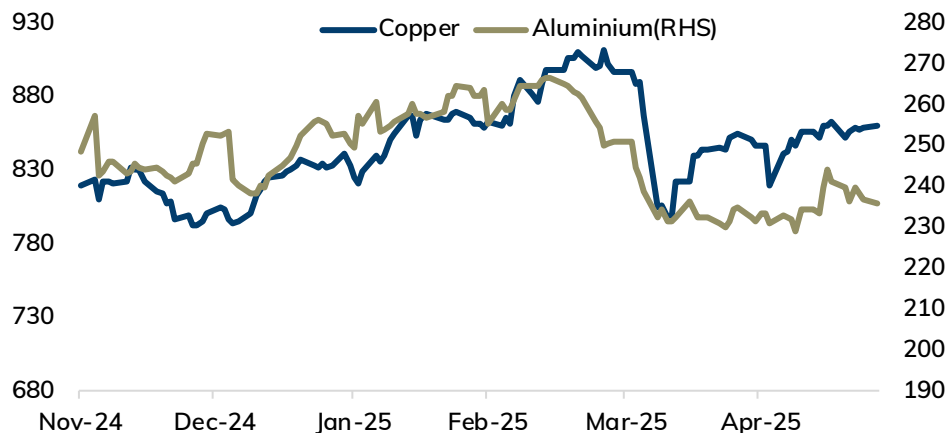
MCX Gold vs. Silver



Bullion Outlook

- Spot Gold is expected to correct towards \$3280 level on expectation of recovery in dollar and ease in demand for safe haven amid de-escalation of trade conflict between U.S. and EU. U.S. President Donald Trump set a July 9 deadline for a trade deal with the European Union. Moreover, investors fear that inflation would remain sticky even if Trump administration negotiates trade deal with its major trading partners as their will be some tariffs, which would provide less room for Fed to cut rates. Meanwhile, sharp fall would be cushioned on concerns over swelling fiscal deficit
- Spot gold is likely to slip back towards \$3280 level as long as it stays below \$3370 level. MCX Gold June is expected to slip back towards ₹95,400 level as long as it stays below ₹96,700 level
- MCX Silver July is expected to rise back towards ₹99,000 level as long as it trades above ₹96,900 level. A break above ₹99,000 level prices may rally further towards ₹100,000 level

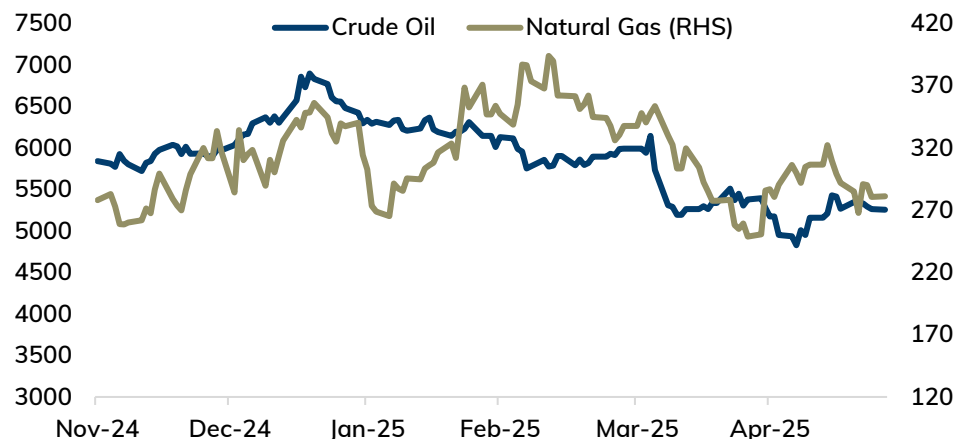
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with positive amid rise in risk appetite in the global markets following U.S. President Donald Trump postponing his recently proposed 50% tariff on EU products to July. Additionally, persistent decline in LME inventories would be supportive for the prices. Meanwhile, sharp upside would be capped on worries over the United States worsening fiscal health.
- MCX Copper May is expected to rise towards ₹866 level as long as it stays above ₹852 level. A break above ₹866 level prices may rally further towards ₹870 level
- MCX Aluminum May is expected to rise back towards ₹239 level as long as it stays above ₹234 level. MCX Zinc May is likely to move north towards ₹261 level as long as it stays above ₹255 level.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- Crude oil is likely to trade with positive bias amid optimistic global market sentiments. Further, U.S. President Donald Trump extended a deadline for trade talks with EU, easing concerns over slowdown in global economic growth and fuel demand. Moreover, oil prices may rally on escalating geopolitical tension in Middle East and Eastern Europe. Israel's military said that it plans to capture 75% of the Gaza strip within the next 2-months, raising concerns about a broader regional conflict. Russian forces launched a barrage of drones and missiles at Ukrainian cities overnight, in the largest aerial attack of the war so far. Meanwhile, sharp upside may be capped on signs of some limited progress in nuclear talks between U.S and Iran
- MCX Crude oil June is likely to rise back towards ₹5400 level as long as it stays above ₹5150 level.
- MCX Natural gas June is expected to dip towards ₹300 level as long as it stays below ₹325 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	95180	95801	96175	96796	97170
Silver	96419	97236	97753	98570	99087
Copper	848.9	854.4	857.6	863.1	866.2
Aluminium	231.6	233.6	236.2	238.2	240.8
Zinc	252.2	255.0	258.0	260.8	263.9
Lead	175.6	176.2	176.9	177.5	178.3
Crude Oil	5092	5176	5232	5316	5372
Nat Gas	270	275	280	286	291

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (May)	84.59	84.97	85.51	85.89	86.43
US\$INR (June)	84.60	85.06	85.75	86.21	86.90
EURINR (May)	96.31	96.62	96.96	97.27	97.61
EURINR (June)	94.36	95.87	94.36	95.87	94.36
GBPINR (May)	114.63	114.94	115.32	115.63	116.01
GBPINR (June)	110.69	113.11	110.69	113.11	110.69
JPYINR (May)	59.35	59.51	59.75	59.91	60.15
JPYINR (June)	57.55	58.77	57.55	58.77	57.55

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	99.11	99.96	-0.85%
US\$INR	85.22	86.01	-0.92%
EURUSD	1.1362	1.1281	0.72%
EURINR	96.72	97.12	-0.41%
GBPUSD	1.3537	1.3419	0.88%
GBPINR	115.04	115.26	-0.19%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.252	6.272	-0.02
US	4.511	4.529	-0.02
Germany	2.567	2.643	-0.08
UK	4.681	4.751	-0.07
Japan	1.538	1.573	-0.03

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
09-04-2025	8:00 PM	2.6M	2.2M
02-04-2025	8:00 PM	6.2M	-0.4M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	164725	-1800	-1.08%
Aluminium	384575	-2325	-0.60%
Zinc	153500	-2725	-1.74%
Lead	294025	-1800	-0.61%
Nickel	198636	-2274	-1.13%

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, May 26, 2025						
8:00 PM	Europe	ECB President Lagarde Speaks		-	-	Medium
All day	US	Bank Holiday		-	-	-
Tuesday, May 27, 2025						
6:00 PM	US	Durable Goods Orders m/m		-7.90%	7.50%	Medium
7:30 PM	China	CB Consumer Confidence		87.1	86	Medium
Wednesday, May 28, 2025						
7:30 PM	US	Richmond Manufacturing Index		-9	-13	Medium
11:30 PM	US	FOMC Meeting Minutes		-	-	High
Thursday, May 29, 2025						
6:00 PM	US	Prelim GDP q/q		-0.30%	-0.30%	High
6:00 PM	US	Unemployment Claims		229k	227k	High
7:30 PM	US	Pending Home Sales m/m		-1%	6.10%	High
8:00 PM	US	Natural Gas Storage			110B	Medium
8:30 PM	US	Crude Oil inventories			1.3M	Medium
Friday, May 30, 2025						
12:30 AM	UK	BOE Gov Bailey Speaks		-	-	High
All Day	Europe	German Prelim CPI m/m		0.10%	0.40%	High
4:00 PM	India	GDP Growth Rate y/y		6.00%	6.20%	High
6:00 PM	US	Core PCE Price Index m/m		0.10%	0.00%	High
7:30 PM	US	Revised UoM Consumer Sentiment		51.10	50.80	Medium



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