

January 23, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	January	Sell	833-834	827	837	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 ended on positive note gaining 0.43%, while Silver prices ended flat yesterday despite of strong dollar and rise in US treasury yields. Further, gold prices rallied to near 3 month high amid rise in safe haven demand following lack of clarity around US President Donald Trump policies on tariffs, investors fear could trigger trade war
- Spot Silver prices ended flat in yesterday's trading session amid strong dollar and rise in US treasury yields.
- US Dollar ended on the positive note gaining almost 0.2% yesterday on trade war concerns after US President Donald Trump said his administration is discussing imposing a 10% tariff on Chinese goods in retaliation for the flow of fentanyl from the country. US President Trump earlier said Mexico and Canada could face levies of around 25% and even promised duties on European imports. Additionally, dovish comments from ECB policymakers weighed on euro benefiting dollar
- US Treasury yields were modestly higher as investors grew more cautious and awaited more announcements from the new administration about policies on tariffs, immigration and tax cuts. The benchmark US Treasury 10-year yield rose to 4.61%. While 2-year treasury yield, which typically moves in step with interest rate expectations increased to 4.30%.
- Crude oil prices settled lower yesterday losing more than 0.5% yesterday on fears that US President Donald Trump proposed tariffs on major trading partners could affect global economic growth and demand for energy. Moreover, API data showed crude oil inventories increased by 958,000 barrels for the week ending 17th January. Gasoline inventories rose by 3.23 million barrels, and distillate stocks climbed by 1.88 million barrels
- Copper prices ended on the negative note losing almost 1% on strong dollar and renewed threats of tariffs on major trading partners of US

Source: Bloomberg, Reuters, ICICI Direct Research

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	79564	0.43%	2756.5	0.43%
Silver	91944	-0.16%	30.83	0.15%
Copper	831.2	-0.30%	9223.5	-0.66%
Aluminium	255.3	-0.29%	2634.0	-0.45%
Zinc	275.2	-0.38%	2900.0	-0.48%
Lead	178.0	0.37%	1967.0	-0.20%
WTI Crude Oil	6516	0.05%	75.44	-0.59%
US Nat Gas	340.0	4.52%	3.96	5.43%

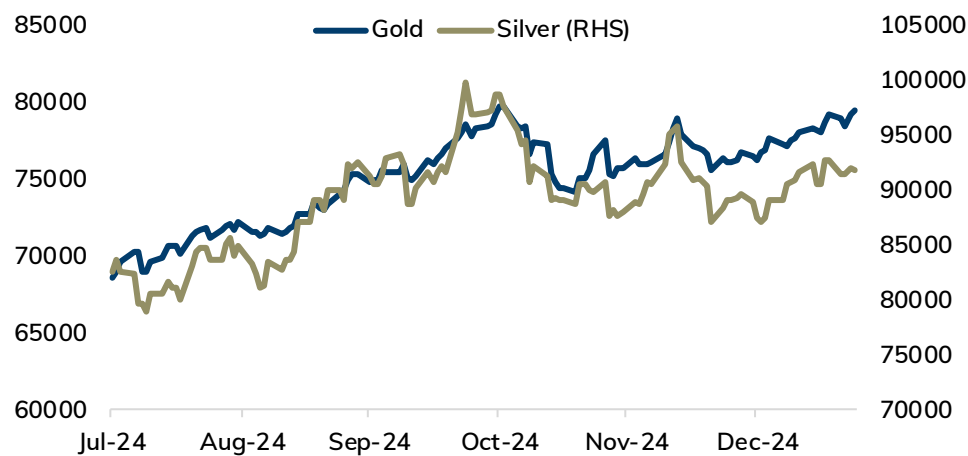
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	86.40	-0.32%	2917451	-16443	247973	-184538
EURINR (29th January)	90.28	0.55%	16989	643	2883	-7632
GBPINR (29th January)	106.80	0.65%	27918	-2659	10075	-3135

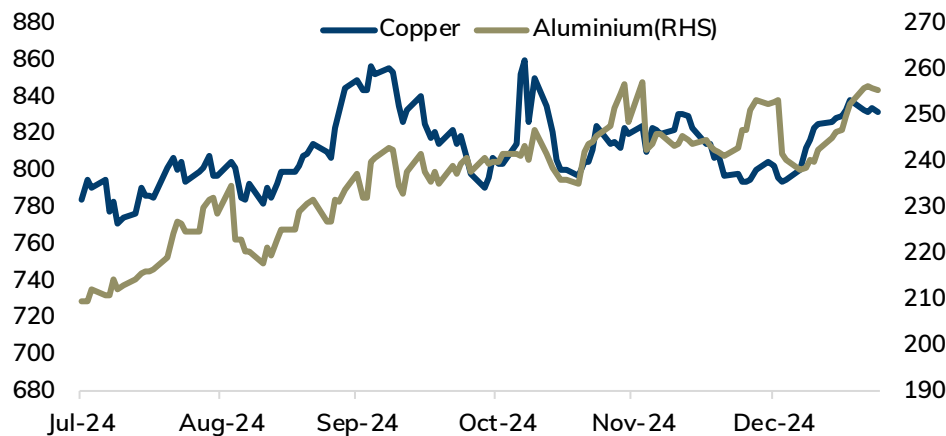
Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Gold Mini	February	Buy	79100-79150	79700	78800	Not Initiated

MCX Gold vs. Silver



MCX Copper vs. Aluminium



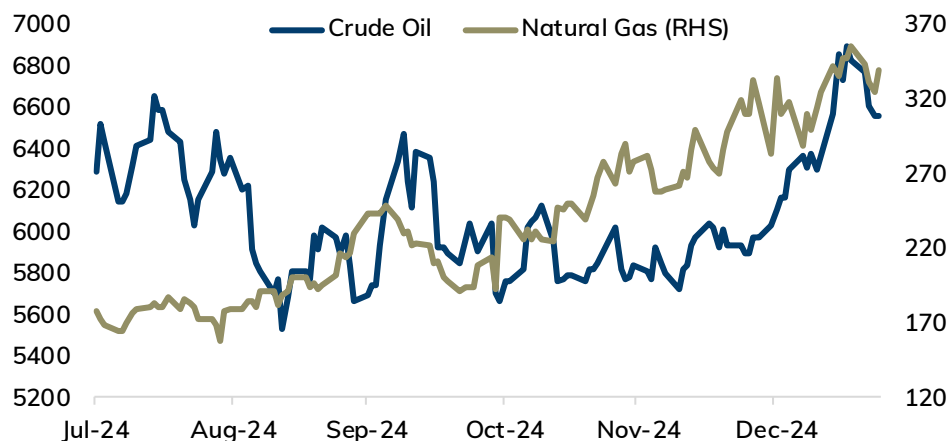
Bullion Outlook

- Spot gold is likely to rise further towards \$2775 level amid rise in demand for safe haven following uncertainty surrounding US President Donald Trump's potential tariffs plans. US President Donald Trump signaled possibility of implementing duties on China, Canada and Mexico as soon as next month. On top of it he also promised duties on European imports, without giving clarity. Further, multiple ECB policymakers signaled that central bank will keep lowering interest rates this year. Meanwhile, eye's will be on initial jobless claims data from US and WEF Annual meeting
- Spot gold is likely to rise towards \$2775 level as long as it trades above \$2730 level. A break above \$2775 level prices may rise further towards \$2790 level. MCX Gold February is expected to rise further towards ₹80,000 level as long as it stays above ₹79,200 level
- Spot Silver is likely to face stiff resistance near \$31.0 and slip back towards \$30.20 level. MCX Silver March is expected to dip towards ₹90,500 level as long as it trades below ₹93,000 level

Base Metal Outlook

- Copper prices are expected to trade with negative bias on strong dollar. Further, as Chinese New Year break approaches, new orders in the market are limited and demand continues to weaken. Additionally, Trump threats to impose tariffs on major trading partners may ignite trade war curbing global economic growth and denting demand for industrial metal. Moreover, investors fear that US President Donald Trump aggressive stance on immigration and potential tariffs will act as headwinds for Fed goal of bring down inflation to 2% average, forcing central bank to keep interest rates elevated for extended period
- MCX Copper January is expected to slip towards ₹822 level as long as it stays below ₹838 level. A break below ₹822 level copper prices may slip further towards ₹815 level
- MCX Aluminum Jan is expected to face stiff resistance near ₹257 level and slip back towards ₹253 level. MCX Zinc Jan is likely to slip towards ₹272 level as long as it stays below ₹277 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to trade with negative bias and slip further towards \$74 level on strong dollar, rise in crude oil and fuel stockpiles and easing tensions in the Middle East following ceasefire between Hamas and Israel. Moreover, investors fear that proposed tariffs by US President would start trade war, hurting global economic growth and dent demand for oil. Meanwhile, sharp fall may be cushioned as US threatened new tariffs against Russia if it does not make a deal to end its war with Ukraine. Further, US president also said his administration would probably stop buying oil from Venezuela
- NYMEX Crude oil is likely to slip further towards \$74 level as long as it stays below \$76.50 level. MCX Crude oil Feb is likely to slip further towards ₹6400 level as long as it stays below ₹6700 level.
- MCX Natural gas Feb is expected to rise further towards 310 level as long as it stays above 288 level. A break above 310 level prices may rise further towards 315 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	79153	79359	79497	79703	79841
Silver	90681	91313	91931	92563	93181
Copper	826.5	828.8	831.4	833.8	836.4
Aluminium	252.8	254.0	255.3	256.5	257.8
Zinc	272.3	273.7	275.4	276.9	278.6
Lead	175.9	176.9	177.7	178.8	179.6
Crude Oil	6441	6478	6518	6555	6595
Nat Gas	314	327	334	347	355

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	86.14	86.27	86.46	86.59	86.77
US\$INR (Feb)	86.39	86.50	86.69	86.80	86.98
EURINR (Jan)	89.99	90.14	90.22	90.36	90.45
EURINR (Feb)	91.27	91.03	91.27	91.03	91.27
GBPINR (Jan)	105.90	106.35	106.65	107.10	107.40
GBPINR (Feb)	106.76	107.03	106.76	107.03	106.76
JPYINR (Jan)	55.11	55.26	55.56	55.71	56.00
JPYINR (Feb)	56.59	56.17	56.59	56.17	56.59

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.17	108.06	0.10%
US\$INR	86.33	86.59	-0.29%
EURUSD	1.0409	1.0428	-0.18%
EURINR	90.19	89.64	0.62%
GBPUSD	1.2316	1.2350	-0.28%
GBPINR	106.75	106.06	0.65%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.723	6.737	-0.01
US	4.611	4.576	0.03
Germany	2.530	2.510	0.02
UK	4.633	4.590	0.04
Japan	1.201	1.194	0.01

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
11-12-2024	9:00 PM	-1.4M	-1.0M
04-12-2024	9:00 PM	-5.1M	-1.6M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	260400	-125	-0.05%
Aluminium	600175	-4100	-0.68%
Zinc	192950	-2175	-1.11%
Lead	229425	-1800	-0.78%
Nickel	172206	1992	1.17%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, January 20, 2025						
6:30 AM	China	5-y Loan Prime Rate	3.60%	3.60%	3.60%	Medium
All day	US	Bank Holiday		-	-	-
Tuesday, January 21, 2025						
12:30 PM	Uk	Claimant Count Change	0.7K	10.3K	0.3K	High
12:30 PM	Uk	Average Earnings Index 3m/y	5.60%	5.60%	5.20%	Medium
3:30 PM	Europe	German ZEW Economic Sentiment	18	15.2	15.7	Medium
Wednesday, January 22, 2025						
Tentative	All	WEF Annual Meetings	-	-	-	-
8:45 PM	Europe	ECB President Lagarde Speaks	-	-	-	Medium
Thursday, January 23, 2025						
7:00 PM	US	Unemployment Claims		220K	217K	High
9:30 PM	US	Crude Oil Inventories		-	(-2.0)M	Medium
Friday, January 24, 2025						
Tentative	Japan	BOJ Policy Rate		<0.5%	<0.25%	High
2:30 PM	Europe	Flash Manufacturing PMI		45.5	45.1	Medium
2:30 PM	Europe	Flash Services PMI		51.4	51.6	Medium
3:00 PM	UK	Flash Manufacturing PMI		46.9	47	High
3:00 PM	UK	Flash Services PMI		50.8	51.1	High
8:15 PM	US	Flash Manufacturing PMI		-	49.4	High
8:15 PM	US	Flash Services PMI		-	56.8	High
8:30 PM	US	Existing Home Sales		4.19M	4.15M	Medium
8:30 PM	US	Revised UoM Consumer Sentiment		-	73.2	Medium



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

Disclaimer



I/We, Jay Thakkar MBA (Finance), Raj Deepak Singh BE, MBA (Finance), Saif Mukadam BSc, MMS (Finance), Anup Sahu BSc, MBA (Finance) Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

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

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Disclaimer



Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.