

February 27, 2025

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	March	Sell	6020-6030	5880	6100	Intraday

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News and Developments

- Spot gold prices witnessed a strong rebound from its 1-week lows amid tariff uncertainty. Trump tariff concerns has lowered consumer confidence and supported the bullions to regain its strength. US president Donald Trump has ordered a probe into potential new tariffs on copper imports. Meanwhile, strong US dollar checked upside in bullions.
- Spot silver took a pause after declining almost 2% on Tuesday amid demand uncertainty and profit booking. US silver coin purchases dropped 27% year-on-year in January to 3.5 moz, the lowest January demand since 2018.
- U.S. dollar index rose on Wednesday after falling to its 11-week low on Tuesday as weak economic numbers raised concerns about strength in the economy. US CB consumer confidence data dipped to 8-month lows.
- US 10-year treasury yields stabilized near 4.3% mark after declining to 2-month lows amid weak consumer confidence data. Meanwhile, escalating tariff threats from US President Donald Trump have fueled safe-haven demand for bonds.
- NYMEX Crude oil prices traded below the \$70 mark amid rising supply prospects and a weaker demand outlook. Hopes of potential Russia-Ukraine peace deal will improve supply. Meanwhile, a surprise drop in weekly EIA crude oil inventory data limited the downside in oil prices. US crude inventories fell by 2.33 million barrels last week
- Copper prices gained the most on Wednesday amid tariff threats on copper imports. US president has ordered an investigation on copper imports signaling higher tariffs.
- Natural Gas prices lost more than 2% yesterday as mild temperatures in US cut demand outlook.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	85874	0.26%	2916.4	0.05%
Silver	96543	1.01%	31.86	0.37%
Copper	864.3	0.45%	9460.0	0.62%
Aluminium	258.1	-0.14%	2632.5	-0.23%
Zinc	268.1	0.28%	2812.0	0.02%
Lead	180.1	-0.28%	2010.5	0.90%
WTI Crude Oil	6000	-0.25%	68.62	-0.45%
US Nat Gas	355.6	0.51%	3.96	-4.14%

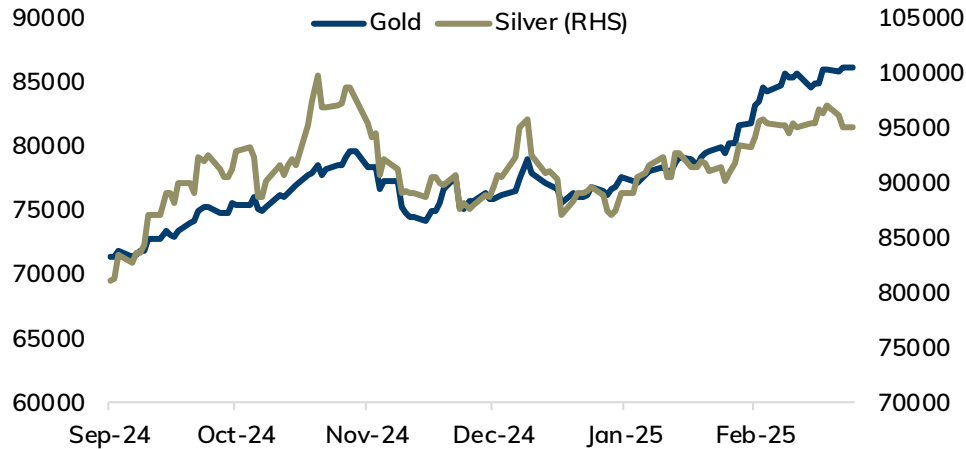
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th March)	87.36	0.49%	1497743	390415	792382	-151866
EURINR (26th March)	91.59	0.53%	18838	14032	15057	10100
GBPINR (26th March)	110.27	0.42%	12089	3347	4377	-5040

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	March	Sell	866-866.50	858	870	Stop Loss Triggered

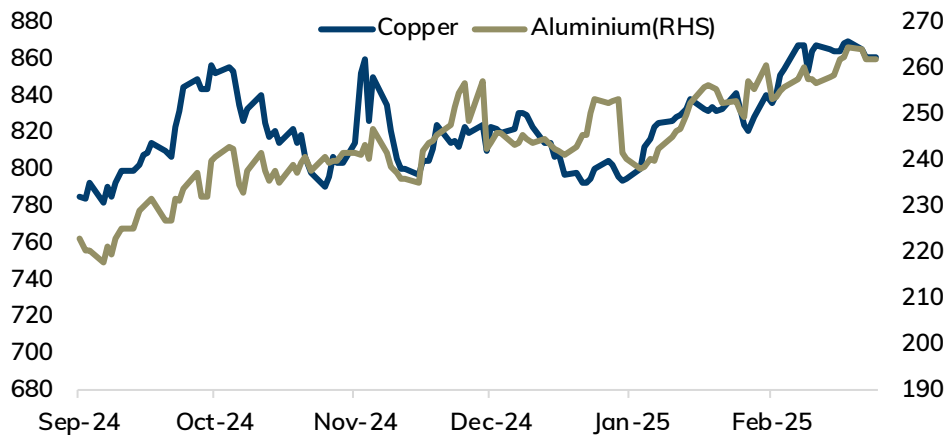
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to consolidate in the band of \$2880 and \$2950 in the near term. Increasing safe haven demand amid tariff concerns would provide support to bullions. Further, forecast of moderation in US GDP numbers would increase the chances of 2 rate cuts by the Fed. Moreover, increasing ETF holdings and central bank buying would support prices to trade above \$2880 per ounce. Meanwhile, focus will remain on the comments from Fed members.
- Gold price is likely to hold the key support of 20 day EMA at \$2880 and move towards \$2950. A higher call base at 2950 strike would act as key hurdle. MCX Gold April is expected to hold the support ₹85,000 and move towards ₹86,400 level. Only below ₹85,000 it would turn weaker.
- Spot Silver, is expected to face the hurdle of 20 day EMA at \$32.00 and move lower towards \$31.00. MCX Silver May is expected to face resistance near ₹97,200 and move lower towards ₹95,200.

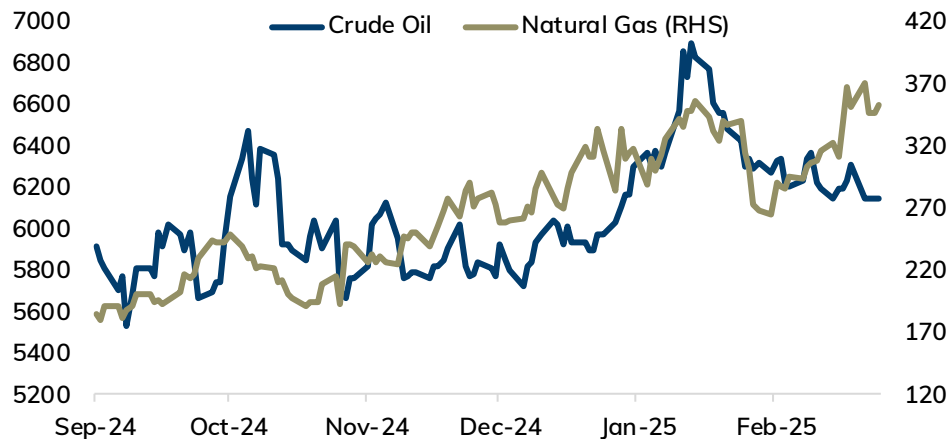
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to remain volatile amid tariff threats. Tariffs on all imports of steel and Aluminium would weigh on the risk sentiments. Further, ample stocks in China would also reduce supply concerns. Negative treatment charges reflects larger extent of overcapacity in refined production. Meanwhile, supply disruption in Chile due to power cut has forced some major units to stop operation, which could limit the its downside. MCX Copper March is expected to hold the support at ₹858 and move towards ₹872.
- MCX Aluminium March is expected to face the hurdle near ₹262 level and move lower towards ₹258 level. Weaker than expected economic numbers from US and a strong dollar would weigh on prices.
- MCX Zinc March is likely to slip towards ₹265, as long as it stays under ₹271.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is likely to face the hurdle near \$70 and move lower towards \$68 amid easing geopolitical risk premiums. Increasing bets of a peace deal between Russia and Ukraine would improve oil supplies. On the economic front, weaker than expected economic numbers from US and China would also weigh on oil price. Meanwhile, investor will eye on the fresh economic numbers from US which would bring more clarity.
- On the data front, addition of OI has been observed in ATM and OTM call strike, which suggests stiff resistance near \$70. On the downside \$68 would act as immediate support. A move below \$68 would weaken it further towards \$66. MCX Crude oil March is likely to face stiff resistance near ₹6100 and move lower towards ₹5800.
- MCX Natural gas March is expected to move lower towards ₹340, as long as it trades under ₹358. Forecast of warmer US weather would reduce heating demand.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	84956	85415	85672	86131	86388
Silver	94981	95762	96181	96962	97381
Copper	853.4	858.9	867.6	873.1	881.8
Aluminium	254.4	256.3	259.0	260.9	263.6
Zinc	265.3	266.7	268.0	269.4	270.7
Lead	178.8	179.5	180.3	180.9	181.7
Crude Oil	5926	5963	6013	6050	6100
Nat Gas	342	349	358	364	373

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	86.83	87.09	87.26	87.53	87.70
US\$INR (Apr)	86.94	87.23	87.44	87.73	87.94
EURINR (Mar)	91.03	91.31	91.47	91.75	91.91
EURINR (Apr)	92.57	92.16	92.57	92.16	92.57
GBPINR (Mar)	109.62	109.95	110.14	110.47	110.66
GBPINR (Apr)	108.11	109.17	108.11	109.17	108.11
JPYINR (Mar)	56.67	57.54	58.21	59.08	59.74
JPYINR (Apr)	58.18	58.43	58.18	58.43	58.18

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.42	106.31	0.10%
US\$INR	87.21	86.71	0.58%
EURUSD	1.0485	1.0514	-0.28%
EURINR	91.35	90.80	0.61%
GBPUSD	1.2676	1.2666	0.08%
GBPINR	110.10	109.58	0.47%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.706	6.704	0.00
US	4.256	4.295	-0.04
Germany	2.433	2.458	-0.03
UK	4.502	4.509	-0.01
Japan	1.367	1.373	-0.01

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	265025	-1675	-0.63%
Aluminium	529475	-1550	-0.29%
Zinc	165375	600	0.36%
Lead	217950	-1750	-0.80%
Nickel	192108	-534	-0.28%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, February 24, 2025						
2:30 PM	Europe	German ifo Business Climate	85.2	85.9	85.1	Medium
7:30 PM	Europe	Belgian NBB Business Climate	-12.3	-12.9	-13.6	Medium
Tuesday, February 25, 2025						
7:30 PM	US	S&P/CS Composite-20 HPI y/y	4.50%	4.30%	4.30%	Medium
8:30 PM	US	CB Consumer Confidence	98.3	103.3	104.1	High
8:30 PM	US	Richmond Manufacturing Index	6	-2	-4	Medium
Wednesday, February 26, 2025						
12:30 PM	Europe	German GfK Consumer Climate	-24.7	-21.6	-22.4	Medium
8:30 PM	US	New Home Sales	657K	677K	698K	Medium
9:00 PM	US	Crude Oil Inventories	-2.3M	2.5M	4.6M	Medium
Day 1	All	G20 Meetings	-	-	-	Medium
Thursday, February 27, 2025						
7:00 PM	US	Prelim GDP q/q	-	2.30%	2.30%	High
7:00 PM	US	Unemployment Claims	-	220K	219K	High
7:00 PM	US	Durable Goods Orders m/m	-	2%	-2.20%	High
7:00 PM	US	Prelim GDP Price Index q/q	-	2.20%	2.20%	Medium
8:30 PM	US	Pending Home Sales m/m	-	-1.30%	-5.50%	Medium
9:00 PM	US	Natural Gas Storage	-	-	-196B	Medium
Day 2	All	G20 Meetings	-	-	-	Medium
Friday, February 28, 2025						
5:00 AM	Japan	Tokyo Core CPI y/y	-	2.30%	2.50%	Medium
All Day	Europe	German Prelim CPI m/m	-	0.40%	-0.20%	High
7:00 PM	US	Core PCE Price Index m/m	-	0.30%	0.20%	High
7:00 PM	US	Personal Spending m/m	-	0.20%	0.70%	Medium
8:15 PM	US	Chicago PMI	-	40.3	39.5	Medium



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