

February 28, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Silver Micro	April	Sell	95950-96000	94500	96600	Intraday

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News and Developments

- Spot gold prices lost more than 1% on Thursday amid strong dollar. Dollar moved higher after US President Donald Trump said 25% tariffs on imports from Canada and Mexico, as well as an additional 10% levy on China imports would go ahead in next week.
- Spot silver also followed the yellow metals and lost more than 1% amid strong dollar. Prices declined amid demand uncertainty and improved supply from US.
- US dollar index extended its rebound for the 2nd day in a row as latest Tariff comments from US President overshadowed mixed economic numbers. US preliminary GDP numbers advanced at 2.4% QoQ against 2.2%. Meanwhile, weekly jobless claims rose by 22,000 to 242,000 against expectation of 221,000.
- U.S. Treasury 10-year yields remained steady on Thursday as market awaits a key inflation report and digested mixed economic numbers. U.S. 2-year treasury yield, which typically moves in step with interest rate expectations erased all its gains and moved to 4.05%.
- NYMEX Crude oil prices gained more than 2% amid supply concerns and tariff uncertainties. Prices gained after US President Trump announced to revoke Chevron's license to operate in Venezuela, which exports about 240,000 barrels per day. Further, import tariffs on Canada and Mexico which could start from March 4 also increased oil prices in NYMEX.
- Copper prices moved in a tight range amid tariff uncertainty. A strong dollar has checked its upside. Where as growing bets of tariffs on Copper imports increased copper premiums in COMEX over LME.
- Natural Gas prices rebounded from its days lows amid record gas flows to LNG export plants. Meanwhile, less than expected drawdown in weekly inventory data checked its upside.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	85196	-0.79%	2877.5	-1.33%
Silver	95550	-1.03%	31.28	-1.82%
Copper	864.5	0.02%	9389.5	-0.75%
Aluminium	258.8	0.25%	2632.5	0.00%
Zinc	268.1	-0.02%	2809.0	-0.11%
Lead	181.0	0.47%	2007.0	-0.17%
WTI Crude Oil	6135	2.25%	70.35	2.52%
US Nat Gas	347.7	-0.57%	3.93	-0.63%

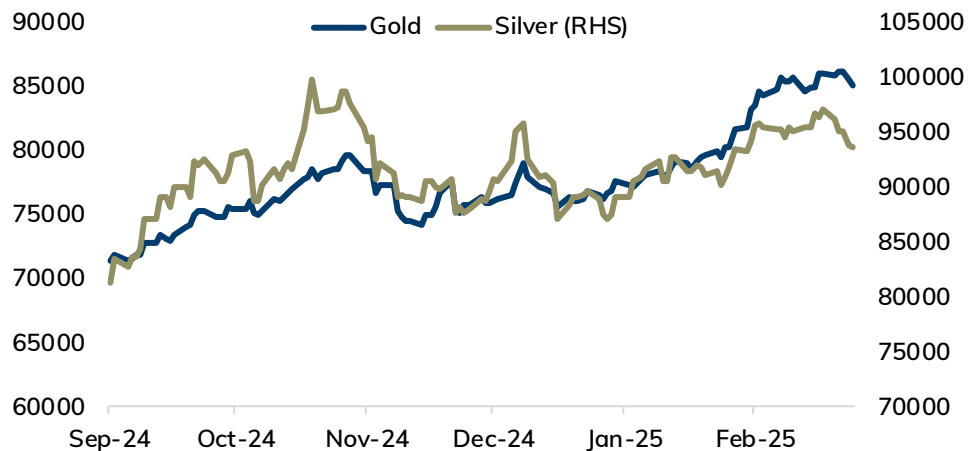
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th March)	87.33	0.37%	1490417	-1099091	509694	294628
EURINR (26th March)	91.59	0.48%	19314	15011	2160	-9779
GBPINR (26th March)	110.71	0.72%	10548	1348	6031	3990

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	March	Sell	6020-6030	5880	6100	Stop Loss Triggered

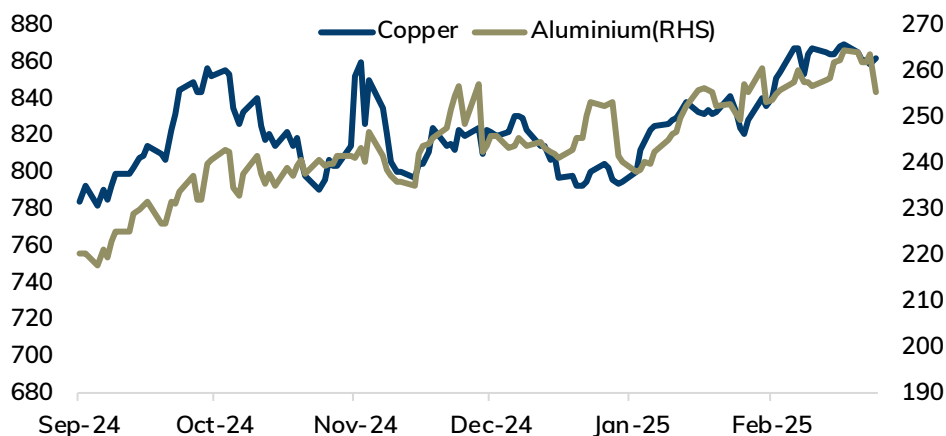
MCX Gold vs. Silver



Bullion Outlook

- Gold is expected to face the hurdle near \$2925 and move lower towards \$2860 amid strong dollar and higher treasury yields. Expectation of rise in inflation numbers would lower the chances of 2 rate cuts in this year. Meanwhile, tariff uncertainty and increasing ETF flows could provide some support to the bullions. For the day all eye will remain on US PCE price index, the Fed's preferred inflation measure. Moreover, comments from the Fed members would also bring price volatility.
- Gold price is near the 20 day EMA at \$2880. A move below would weaken it towards \$2860. An increasing call base near 2925 strike suggest prices may face resistance near \$2925. MCX Gold April is expected to dip towards 20 day EMA at ₹84,600, as long as it trades under ₹85,800 level. Only below ₹84,600 it would open the doors towards ₹84,000.
- Spot Silver, is expected to face the hurdle of 20 day EMA at \$31.75 and move lower towards \$30.70. MCX Silver May is expected to face resistance near ₹96,600 and move lower towards ₹94,200.

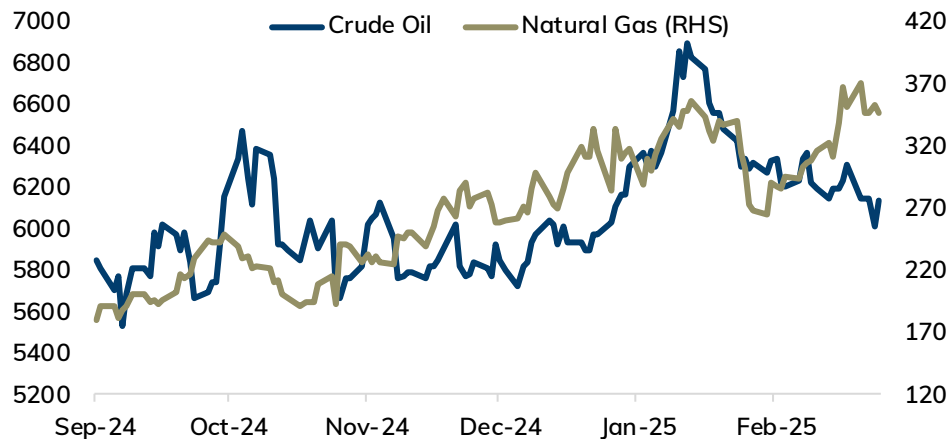
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to remain volatile amid tariff threats. Tariffs on Mexico and Canada from next week would weigh on the risk sentiments. Global trade war would be bearish for the metal. Further, ample stocks in China would also reduce supply concerns. 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 ₹870.
- MCX Aluminium March is expected to face the hurdle near ₹262 level and move lower towards ₹257 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 \$71 and move lower towards \$68 amid uncertainty over global economic growth. Trade war fear and slow down in US economy would outweigh supply concerns. Further, increasing bets of a peace deal between Russia and Ukraine would improve oil supplies. Meanwhile, sanctions on Iran and supply concerns from Venezuela would limit the downside in oil prices.
- On the data front, unwinding of OI has been observed in ATM and OTM call strike, which suggests a recovery in prices. But, a strong call base near 70 and 71 strike would act as immediate hurdle. On the downside \$68 would act as immediate support. MCX Crude oil March is likely to face stiff resistance near ₹6200 and move lower towards ₹5950.
- MCX Natural gas March is expected to move lower towards ₹338, 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	84374	84785	85290	85701	86206
Silver	94257	94903	95696	96342	97135
Copper	857.0	860.7	864.5	868.2	872.0
Aluminium	255.5	257.1	258.6	260.2	261.6
Zinc	265.3	266.7	268.4	269.8	271.5
Lead	179.2	180.1	180.7	181.6	182.3
Crude Oil	5933	6034	6100	6201	6267
Nat Gas	330	339	347	356	364

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	86.79	87.06	87.32	87.59	87.84
US\$INR (Apr)	87.33	87.45	87.61	87.73	87.89
EURINR (Mar)	91.27	91.43	91.61	91.77	91.95
EURINR (Apr)	92.84	92.70	92.84	92.70	92.84
GBPINR (Mar)	110.25	110.48	110.64	110.87	111.03
GBPINR (Apr)	108.61	110.16	108.61	110.16	108.61
JPYINR (Mar)	58.17	58.32	58.65	58.80	59.13
JPYINR (Apr)	58.25	58.58	58.25	58.58	58.25

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	107.24	106.42	0.78%
US\$INR	87.20	87.21	-0.01%
EURUSD	1.0398	1.0485	-0.83%
EURINR	91.43	91.35	0.09%
GBPUSD	1.2601	1.2676	-0.59%
GBPINR	110.56	110.10	0.42%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.709	6.706	0.00
US	4.260	4.256	0.00
Germany	2.413	2.433	-0.02
UK	4.512	4.502	0.01
Japan	1.401	1.367	0.03

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	263650	-1375	-0.52%
Aluminium	525425	-4050	-0.76%
Zinc	164950	-425	-0.26%
Lead	216350	-1600	-0.73%
Nickel	193782	1674	0.87%

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%	2.30%	High
7:00 PM	US	Unemployment Claims	242K	220K	219K	High
7:00 PM	US	Durable Goods Orders m/m	3.10%	2%	-2.20%	High
7:00 PM	US	Prelim GDP Price Index q/q	2.40%	2.20%	2.20%	Medium
8:30 PM	US	Pending Home Sales m/m	-4.60%	-1.30%	-5.50%	Medium
9:00 PM	US	Natural Gas Storage	-261B	-276B	-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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