



COMMODITY COMPASS

17 MAY 2019

INDIAN COMMODITIES

Commodity	Expiry	S1	S2	Pivot	R1	R2	Trend
Gold	JUN	31667	31822	32065	32220	32463	Up
Silver	JUL	36704	37292	37421	38009	38138	Indecisive
Aluminum	MAY	149.3	149.8	150.8	151.3	152.3	Indecisive
Copper	JUN	424.5	426.5	429.4	431.4	434.3	Indecisive
Nickel	MAY	846.7	851.7	856.8	861.8	866.9	Indecisive
Lead	MAY	126.2	127.3	128.3	129.3	130.3	Indecisive
Zinc	MAY	215.5	216.3	217.2	218.0	218.9	Indecisive
Crude Oil	MAY	4319	4369	4411	4461	4503	Up
Natural Gas	MAY	179.8	182.7	184.4	187.3	189.0	Up

Bullion—Gold



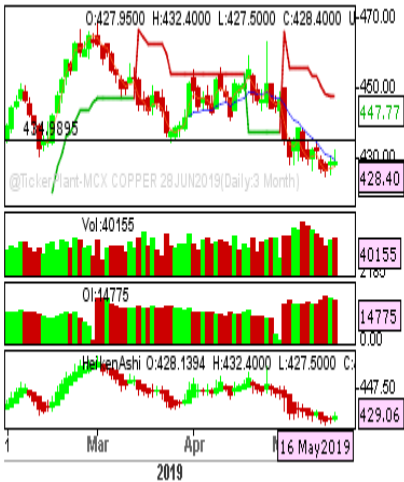
Gold futures moved sharply lower Thursday, registering their lowest finish in a week, pressured by a batch of upbeat U.S. domestic data as equities traded broadly higher, dulling the appeal of the haven metal. Gold futures for June delivery, traded on the Comex settled down \$11.50, at \$1,285.95 per ounce. Traders started booking profit earlier in the week on President Donald Trump's remarks that he looked forward to a "very fruitful meeting" at the G20 next month with his Chinese counterpart Xi Jinping eased trade war tensions, sending the dollar to its best performance in two weeks. Gold broke above \$1,300 on Monday, hitting

one-month highs, as risk-averse investors took to its safe-haven cover after China imposed higher duties on a range of U.S. goods including frozen vegetables and liquefied natural gas. The two countries have up to a 25% tariff on each other's products now. Formation of a strong bear candle which has closed below the trend line as shown in the chart suggest prices have witnessed profit booking and suggest a caution to bulls and we advise traders to hold existing longs with stops below 31800 targeting 32500 levels in the near term and avoid fresh positions.



Wealth Tree Group

BASE METALS — COPPER



Base metals prices posted modest gains in yesterday's trade after U.S. President Donald Trump dialed back some of his tough talk on negotiations with Beijing, saying he expected a very fruitful meeting with China's leader Xi Jinping at the G20 meeting in Japan next month. Prices slid sharply in the last fortnight as trade negotiations between China and the US deteriorated suddenly, reversing apparent progress made in recent months. U.S. President Donald Trump sharply escalated trade tensions between the world's two largest economies and were proceeding is too slow and he rose tariffs on \$200 billion of goods to 25 percent on Friday from 10 percent. In reply to that China announcing that it will retaliate over levies imposed by the Trump administration and indicated plans to raise tariffs on \$60 billion worth of U.S. im-

ports beginning on June 1. Formation of a small bull candle with a tail on the higher side suggest a caution and we advise traders to wait for further confirmation to initiate any fresh positions.

ENERGY — CRUDE



Oil futures were up more than 1% on Thursday as tensions in the Middle East grew, with a Saudi-led coalition launching air strikes in retaliation for recent attacks on its crude infrastructure. U.S. West Texas Intermediate crude futures settled at \$62.87 a barrel, gaining 81 cents, or 1.37%, after hitting its strongest level in two weeks. The Saudi-led military coalition in Yemen carried out several air strikes on Thursday after the Iranian-aligned movement claimed responsibility for drone attacks on two Saudi oil pumping stations earlier in the week. It comes after attacks on four oil tankers off the coast of United Arab Emirates on Sunday. Taken together, the escalation of tensions has compounded fears of lowered supply in the Middle East. U.S. staff were ordered to leave the American em-

bassy in Baghdad on Wednesday out of concern about perceived threats from Iran. Meanwhile OPEC on Tuesday said that world demand for its oil would be higher than expected this year as supply growth from rivals including U.S. shale producers slows, pointing to a tighter market if the exporter group refrains from raising output. Formation of second bull candle after a candle with a big tail on the higher side suggest indecisiveness and we advise traders to wait for further confirmation to initiate any fresh positions.



Wealth Tree Group

ECONOMIC CALENDAR (ALL TIMES IN IST)

EVENT	COUNTRY	TIME	FORECAST	PREVIOUS
Leading Indicators (Leading Indicators - M/M change)	US	18:00 IST	0.3	0.4
Consumer Sentiment (Sentiment Index - Level)	US	18:00 IST	97.5	97.2
E-Commerce Retail Sales (E-Sales Q/Q Change SAAR)	US	18:00 IST		2
Baker-Hughes Rig Count (N. Amer. Rig Count)	US	18:00 IST		1051
Baker-Hughes Rig Count (U.S.)	US	18:00 IST		988

PICK OF THE DAY

COMMODITY	EXCHANGE	EXPIRY	STRATEGY	ENTRY	TARGET	STOP LOSS
NATURALGAS	MCX	MAY	BUY	184.5	190	181.5



Wealth Tree Group

DISCLAIMER: Wealth Tree Group and its affiliates are a full-service, brokerage, investments , investment management consultancy group. We along with our affiliates are participants in virtually all securities trading markets in India. Our research professionals provide important input into our investments and other business selection processes. Investors may assume that Wealth Tree Group and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material and that the research professionals who were involved in preparing this material may participate in the solicitation of such business. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, 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 or regulation or which would subject Wealth Tree Group or its group companies to any registration or licensing requirement within such jurisdiction. All trademarks, service marks and logos used in this report are trademarks or registered trademarks of Wealth Tree or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read “Risk Disclosure Document for Capital Market and Derivatives Segments” as prescribed by Securities and Exchange Board of India before investing in Indian Securities

