

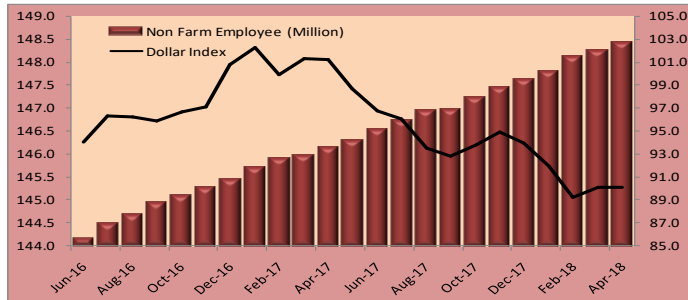
Gold- Fundamental Highlight

- Gold prices edged higher as concerns over a global trade war increased after the United States imposed tariffs on steel and aluminum imports from Canada, Mexico, and the European Union.
- Dollar's is in correction mode ahead of the Nonfarm Payroll report but pulling back from multi-month highs against most of its major rivals.
- U.S. President Donald Trump on Thursday played down the chances of a quick deal in getting North Korea to abandon its nuclear arms.
- Italy's anti-establishment parties revived coalition plans on Thursday, ending three months of political turmoil.
- U.S. consumer spending posted its biggest gain in five months in April, a further sign that economic growth was regaining momentum early in the second quarter, while inflation continued to rise steadily.
- Eurozone inflation jumped far more than expected in May on higher energy costs, offering relief to the European Central Bank aftermarket turbulence that has jeopardized its planned exit from a lavish stimulus programme.

Price Movement (% Change)

Commodity	Prv Close	5D	MTD	YTD	3YTD
Gold	1300.1	0%	-1%	-1%	-1%
Silver	16.458	-0.5%	2.1%	-7.6%	-0.1%

Non-Farm Employment and US Dollar Index Price Move



Source: Bureau of Labor Statistics, Monthly US Non-Farm Employment Data.

Comex Gold Fut. -Daily Chart



Source: Bloomberg

Key technical Levels (\$/ Troy Ounce)

Pivot Levels	1299.7	
Support	1292.3	1285.4
Resistance	1306.6	1314.0
Moving Average		
	Simple	Exponential
MA5	1299.6	1299.5
MA10	1298.7	1299.4
MA20	1299.7	1302.5
MA50	1317.6	1311.8
MA100	1324.1	1313.7
MA200	1307.4	1301.7
14 Days RSI	44.8	

Technical Outlook

Gold trading in range needs fresh breakout on either side of the range between \$1284-\$1321 on the weekly chart. Gold may find strong support base around \$1284-\$1269, if this level is maintained, any break above \$1308 may push counter higher towards \$1321 for short term. While break below \$1291 may push counter lower till \$1284 and more below this level till 1269. A positional bullish move may happen only above \$1321 towards next level of resistance around \$1355.

Recommendation: Trader should prefer buying above \$1308 for a limited upside move till \$1321, a major bullish move is only possible on hold and trade above \$1321 till \$1355. Those are creating long may keep the stop loss below \$1284 on a close below basis.

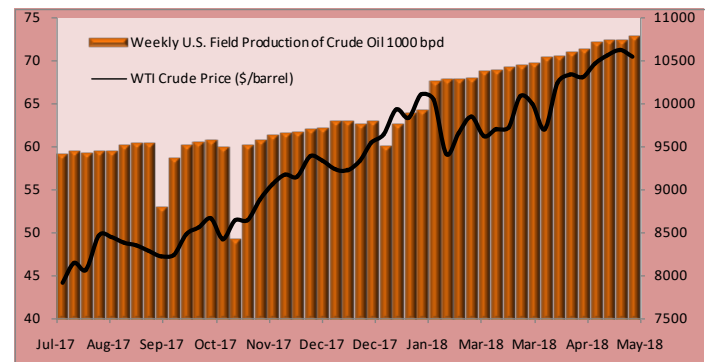
Crude Oil - Fundamental Highlight

- Crude oil futures lost more ground on last week, with the U.S. market set for the second week of decline on pressure from record U.S. production and expectations of OPEC boosting output.
- U.S. crude production has been rising to record-high levels since late last year. In March it jumped 215,000 barrels per day (bpd) to 10.47 million bpd, a new monthly record, the Energy Information Administration (EIA) said on Thursday.
- Inventory Report: The U.S. Energy Information Administration reported Thursday that crude supplies fell by 4.2 million barrels for the week ended May 25.
- Survey had forecasted a decline of 600,000 barrels, while the American Petroleum Institute on Wednesday reported a rise of 1 million barrels.
- Gasoline stockpiles edged up by 500,000 barrels for the week, while distillate stockpiles also rose by 600,000 barrels, according to the EIA. Survey forecasted supply declines 1.5 million barrels of gasoline and nearly 1.1 million barrels for distillates.
- Oil Spread: Spread widens between WTI and Brent: U.S. crude futures traded as much as \$11 below Brent, the deepest discount since early 2015. Traders say the tide of light sweet crude from the United States is threatening to swamp the global market.

Price Movement (% Change)

Commodity	Prv Close	5D	MTD	YTD	3YTD
Crude WTI	67.04	-1.2%	-0.3%	-1.2%	-1.2%
Brent	77.56	1.4%	6.7%	49.4%	41.7%
Nat. Gas	2.952	0.4%	5.4%	-3.9%	29.0%

Weekly US Crude Oil Production and Crude Prices



Source – EIA, Crude Oil (Weekly Production and WTI Crude Oil price movement since July 2017)

NYMEX Crude Oil WTI Fut. – Daily Chart



Source: Bloomberg

Key technical Levels (\$/ bbl)

Pivot Levels	67.9	
Support	65.0	62.9
Resistance	70.0	72.9
Moving Average		
	Simple	Exponential
MA5	67.3	67.6
MA10	68.6	68.3
MA20	70.0	68.9
MA50	68.0	68.0
MA100	65.4	65.3
MA200	60.2	61.7
14 Days RSI	41.1	

Technical Outlook

WTI Crude Oil which declined from recent high \$72.91 but critical support base is found near \$65.60 per barrel for Crude Oil WTI Future contract and we may see further decline only on a break below this level till \$64 and \$61.80. A bullish move is seen only on the break above \$68.30. As we see a fresh breakout above \$68.30 then immediate upside move is possible till \$70 and \$72.90 in near term.

Recommendation: Short-term trade may prefer to sell on rising till \$67.50 by taking stop loss above \$68.30; major decline is only possible on the break below \$65.60. Bullish sentiments will be back in case a close above \$68.30

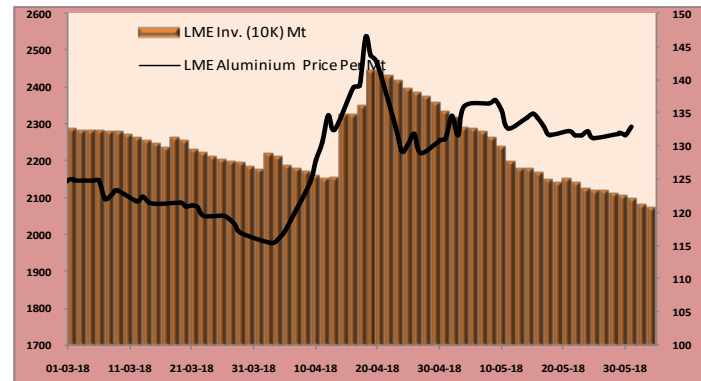
Aluminum- Fundamental Highlight

- Aluminum arose almost 47.30% in last 3 year while recent price move came when US President Donald Trump announced plans for tariffs on foreign steel and aluminum in March, justifying them on national security grounds.
- The United States on Thursday said it was moving ahead with tariffs on aluminum and steel imports from Canada, Mexico, and the European Union, ending a two-month exemption and potentially setting the stage for a trade war with some of America's top allies.
- Retaliation: Canada said it would put 25% tariffs on certain types of American steel, as well as a 10% tax on other items, including yoghurt, whiskey, and roasted coffee.
- Mexico's Economy Ministry said it is planning new duties for steel, pork legs, and shoulders, apples, grapes, blueberries, and cheese.
- Europe had previously outlined a list of items, including US bourbon, cranberries, and jeans, as targets for retaliation.
- Aluminum warehouse stocks at LME declined by 16475 mt and also at SHFE it has declined by 1000 mt. LME warehouse stocks are at March 2018 and currently stand near 12,06,375 mt from 14,00,000 mt during April month. Inventory has declined by 15% during this time period.

Price Movement (% Change)

Commodity	Prv Close	5D	MTD	YTD	3YTD
Copper	6852	-0.5%	1.6%	20.6%	46.7%
Aluminium	2292	1.3%	1.4%	18.9%	47.3%
Nickel	15220	3.0%	11.5%	69.7%	80.4%
Zinc	3100	1.6%	1.6%	19.2%	61.2%

Aluminum – LME Price and Warehouse Inventory



(LME Ware House Inventory data in 10KMT)

LME Aluminum 3 Month Contract – Daily Chart



Source: Bloomberg

Key technical Levels (\$/tonne)

Pivot Levels	2283	
Support	2252	2208
Resistance	2327	2358
Moving Average		
	Simple	Exponential
MA5	2276.9	2283.2
MA10	2275.8	2285.2
MA20	2295.4	2287.8
MA50	2238.3	2257.8
MA100	2205.4	2216.9
MA200	2164.6	2148.1
14 Days RSI	52.8	

Technical Outlook

LME Aluminum is trading in thin range from last 2 weeks but forming ascending triangle pattern on the daily chart, Initial breakout possible on trade above \$2315, first confirmation above \$2340 and final confirmation above \$2376 for bullish move till \$2473 and \$2555, Important support levels: \$2237 and \$2186, Negative on close below \$2186.

Recommendation: Traders are advised to create long on dips with stop loss below \$2186, advised to add more quantity on a break above \$2315-\$2340 and \$2376 for more upside move towards 2473 and 2555 in short to medium term.

Soybean - Fundamental Highlight

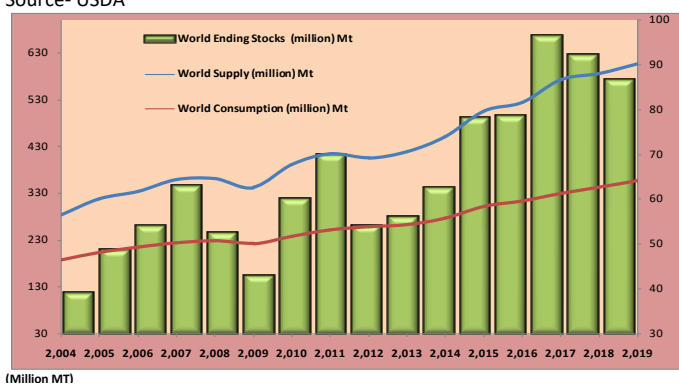
- The latest World Agricultural Supply and Demand Estimates report from USDA gave grain markets some semi-bullish news, kicking up soybean prices moderately higher soon after the report was released.
- World ending stocks for soybeans paints a slightly different picture. USDA increased its soybean totals for 2017/18 from 3.336 billion bushels in April to 3.386 billion bushels in May.
- USDA anticipates world 2018/19 ending stocks for soybeans will decline by 4.5% year-over-year to 3.186 billion bushels. But the USDA is less confident about U.S. export share this coming marketing year, predicting the country's global export share at 39% - above 2017/18 levels but otherwise the lowest share in six years. Total U.S. exports could reach 2.290 billion bushels, which would be 225 million bushels more than this marketing year.
- Total U.S. exports could reach 2.290 billion bushels, which would be 225 million bushels more than this marketing year.
- Agency still anticipates China will import 6.2% more soybeans next year – but China says its imports will drop for the first time in 15 years because of higher prices from the current trade dustup, which force livestock producers there to seek alternative protein supplies.

Price Movement (% Change)

Commodity	Prv Close	5D	MTD	YTD	3YTD
Soybean	1018.5	-2.2%	-2.3%	11.2%	-5.6%
Cotton	93.15	4.4%	9.4%	21.0%	45.7%
Sugar	12.79	2.6%	9.4%	-14.0%	-26.9%
Cron	394	-3.0%	-0.7%	5.9%	-2.7%

World Soybean – Demand and Supply

Source- USDA



(Million MT)

Soybean Futures – Daily Chart



CBOT Soybean Daily Chart for 6 Months. Source: Bloomberg

Key technical Levels (\$/ Bushels)

Pivot Levels	1029.5	
Support	1008.3	993.0
Resistance	1044.8	1066.0
Moving Average		
	Simple	Exponential
MA5	1028.8	1026.7
MA10	1031.4	1026.2
MA20	1020.3	1026.0
MA50	1030.3	1026.5
MA100	1025.1	1020.5
MA200	999.1	1009.3
14 Days RSI	48.6	

Technical Outlook:

Soybean future on CBOT bounced from the recent low of \$992 may find minor resistance near \$1031, in case of a positive break out above this level may push counter higher till \$1050 and \$1068 in near term. Immediate support remains near 200 DMA at 999 and counter should not close below this level to keep bullish sentiments intact.

Recommendation: Minor corrective dips from current levels to \$1020-1010 can be considered as a fresh buying opportunity with the stop loss below \$999 for the very short term while medium-term support remains near \$992. Initial target from this range is seen till 1031 while a major target is seen till \$1050-1068 in near term.

The commitment of Trades – Weekly Report

The Commodity Futures Trading Commission released its weekly Commitments of Traders report for the week ending May 22 on Friday.

Value in 1000Qty

Commodity	Price	Long Positions		Short Positions		Net Positions		Open Interest	
	% Change	Contracts	% Change	Contracts	% Change	Contracts	% Chng	Contracts	% Chng
NYMEX Crude W	1.1%	750.32	-2.6%	116.93	2.6%	0.633	-3.5%	2643.35	-2.3%
ICE Brent	1.5%	635.47	-4.9%	257.28	5.1%	0.38	-10.6%	2695.79	-0.3%
COMEX Gold	0.1%	189.68	-5.9%	98.72	-8.7%	0.09	-2.6%	502.94	-3.3%
COMEX Silver	1.9%	77.18	9.9%	62.67	-12.1%	0.0145	-1404.7%	198.25	0.1%
CBOT Soybean	1.2%	213.49	-6.1%	85.67	-4.5%	0.13	-7.1%	515.54	0.6%
ICE Cotton	4.3%	134.37	0.0%	13.07	-14.7%	0.12	1.9%	297.14	5.0%
CBOT Corn	0.6%	559.42	2.8%	225.26	3.1%	0.33	2.5%	1884.62	2.9%
ICE Sugar	5.5%	251.00	4.3%	295.29	-6.3%	-0.04	-40.5%	1032.70	0.4%

Source: CFTC

ABans Group

Founded in 2005, under the leadership of the Group Chairman Mr. Abhishek Bansal, ABans Group has grown from being a trading house to a dynamic and diversified business group. We provide expertise in Broking Services, Merchant Banking, Non-Banking Financial Dealings, Gold Refining, Realty & Infrastructure. In a nutshell, ABans Group is a comprehensive Financial Services conglomerate, providing end-to-end financial services to all its clients.

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