

Gold prices are holding in a range of 1224-1237; focus on G-20 meeting on November 30th

- Dollar Index steady above 97.05, keeping gold under pressure, eyes on G-20 meet as US and China discuss tariff issues.
- Gold prices inched lower as the dollar steadied amid fears of a slowdown in global economic growth.
- Trade war - Trump said to move ahead with raising tariffs on \$200 billion in Chinese Goods to 25 percent from the current 10 percent and also repeated the threat to put tariffs on all remaining imports.
- Brexit - British PM Theresa May warned parliament not to reject the deal which she has negotiated with the European Union, as lawmakers from all sides lined up to criticize the agreement.
- Italy's Budget fiasco - The Italian government said on Monday it was sticking to its main 2019 budget goals for now, as it awaits a cost analysis of its main spending measures, but left open the possibility of eventually cutting its deficit target.
- ECB Stimulus - ECB President said that the euro zone has lost some growth momentum but this was mostly normal and not enough to derail plans by the European Central Bank. ECB eyeing stimulus.
- SPDR Gold Trust's Gold holdings fell 0.15 percent to 761.74 tonnes on Monday.
- China's net gold imports in October via Hong Kong doubled from a more than seven-year low which it touched in the previous month as lower prices revived demand in the world's top consumer.

Outlook

- Gold traders await fresh direction from key events such as G-20 summit and fed meeting in December months. The precious metal is facing stiff resistance near \$1238 while important support is at \$1195; we may see further consolidation in the \$1195-\$1238 region with negative bias based on Fed meeting expectations.

Oil prices trade negative, Ease of supply and OPEC meetings in focus

- Saudi Arabia raised oil production to an all-time high in November and pumped around 11.1-11.3 million barrels per day.
- OPEC Meeting on 6th December - OPEC and its allies are set to meet in Austria next week, and they're expected to announce reduction in output. OPEC had proposed a 1.4 million bpd cut before Trump started pushing back.
- G20 Summit on November 30th-December 1st - G20 summit is another major focus for market, it remains to be seen if U.S. President Donald Trump and his Chinese counterpart Xi Jinping can de-escalate the U.S.-China trade war.

Outlook

- Brent oil may consolidate in the broader range of \$57.50-\$64.40 in the short term, OPEC meeting in focus. Outlook remains negative as Oil supply is expected to increase in near term while oil demand may be negatively impacted.

Dollar recovers against Rupee ahead of G-20 meeting and stable oil prices near \$60 per barrel

- Indian rupee weekend marginally on short covering in dollar, now focus shifts to G-20 meeting and RBI meeting. Brent oil is stabilizing near \$60 per barrel will support further positive move in rupee.
- The RBI's Monetary Policy Committee will detail its next policy statement on Dec 5.
- Oil prices declining is good for India which , CAD may decline below 2% next year as we report current CAD around 2.2% after current decline in Crude oil prices.

Outlook

- Recovery in Indian rupee continues on fresh declines in crude oil prices last week, focus now shifts towards RBI meeting scheduled for December 5th. USDINR may drop to 200 Day moving average at 68.50 below 71.10 in near term.

Copper extended losses as US President Trump projected to move ahead with raising tariff on \$200 billion worth of Chinese goods

- Copper prices traded negatively following an interview comment to Wall Street Journal; U.S. President Donald Trump said to move ahead with raising tariffs on \$200 billion of Chinese imports.
- LME Copper is down around 15% so far in 2018 on concerns that U.S.-China tariff war will hurt demand for industrial metals.
- China's imports of scrap copper from the United States fell 37 percent from the previous month to just 6,065 tonnes in October, based on customs data released on Monday.
- Copper warehouse stock remained at 137100mt with weekly drop of 14525mt

Outlook

- Copper may not sustain above 6300 in near term unless ongoing tensions between US and China settles during G-20 meeting later this week. Any decline below 6140 may push counter below 6100 towards recent low of 5980. We may see recovery in copper only when trade disputes settles between US and China, any breakout above 6300 may push counter towards next important resistance level of 6400. Rebar prices at multi-month low on sluggish demand

Shanghai Steel futures declined further on trade war worries and sluggish demand

- China's steel prices tumbled more than 5% to close near six-month low on worries over weaker demand. The construction steel product Rebar closed down at 3,360 yuan.
- Steel supply in China has been rising while demand is weaker as the cold weather slows construction sector.
- Steel Rebar which is used in construction, however consumption may not recover strongly even post winter as China's economy continues to remain under pressure from faltering consumer spending and property sales.
- Other Steel products such as HRC also dropped as Chinese exports to the United States are expected to slide soon as higher U.S. duties start to bite.
- Rebar stocks at Chinese traders dropped to 3.08 million tonnes in mid-November, the falling stockpiles show traders are not restocking steel. Traders are trying to sell out their stocks and not buy any new stocks as demand weakening.

Outlook

- Rebar prices dropped to lowest level in six months on slow construction demand during winter season and increased supply. Further weakness is expected towards 3300-3202 below 3500

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, Financial Services, Non-Banking Financial Services, Gold Refining, and Realty & Infrastructure. In a nutshell, ABans Group is a comprehensive Financial Services conglomerate, providing end-to-end financial services to all its clients.

Contact Details

Abans Broking Services (P) Limited

36, 37, 38A, 3rd Floor, 227 Nariman Bhavan,
Backbay Reclamation, Nariman Point,
Mumbai - 400 021
Phone +91-22-61790000 Fax +91-22-61790010
Email: info@abans.co.in Website : www.abans.co.in

Social Media



Disclosure & Disclaimer: ABans Broking Services Pvt. Ltd. (ABSPL)

Prepared By:

Mr. Kamlesh Jogi, Market Research Analyst

E-mail: kamlesh.jogi@abans.co.in

Phone: 022 – 6789 8621

Communication Address: Mittal Chambers, 2nd Floor, No. 25,
Backbay Reclamation, Nariman Point, Mumbai - 400021.

Membership Details:

MCX Member ID: 40385 / SEBI Reg. No. INZ000032733;

NCDEX: Member ID F00681 / SEBI Reg. No. INZ000032733

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as **the Regulations**). **ABans Broking Services Pvt. Ltd. (ABSPL)** is a SEBI Registered Research Analyst having registration no. **INH000006369**. **ABSPL**, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock Broking services. **ABSPL** is a subsidiary company of ABans Finance Pvt. Ltd. (AFPL). AFPL is an NBFC, registered with the RBI, in the category of non-acceptance of public deposits.

One of the group companies of **ABSPL** is ABans Securities Pvt. Ltd. (ASPL) which is a SEBI registered member with NSE, BSE and MSE stock exchanges. ASPL is also a Depository Participant of CDSL. ABans Commodities Pvt. Ltd. (ACIPL) is another group entity which is also a registered member with MCX in the Commodity segment. Further details are available on the group website www.abans.co.in

Mandatory Disclosures as per the Regulations:

- Ownership & Material conflicts of interest –
 - Whether the Research Analyst or ABSPL, or his associate or his relative has any financial interest in the subject company and the nature of such financial interest – No
 - Whether the Research Analyst or ABSPL, or its associates or relatives, have actual/beneficial ownership of 1% or more securities of the subject company, at the end of the month immediately preceding the date of publication of this research report or date of the public appearance - No
 - Whether the Research Analyst or ABSPL, or his associate or his relative, has any other material conflict of interest at the time of publication of this research report or at the time of public appearance –No
- **Receipt of Compensation –**
 - Whether **ABSPL**, or its associates have received any compensation from the subject company in the past twelve months – **No**
 - Whether **ABSPL**, or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months – **No**
 - Whether **ABSPL**, or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months – **No**
 - Whether **ABSPL**, or its associates have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months – **No**
 - Whether **ABSPL**, or its associates have received any compensation or other benefits from the subject company or third party in connection with the research report – **No**
- Whether **the Research Analyst** has served as an officer, director or employee of the subject company – **No**
- Whether **the Research Analyst** or **ABSPL** has been engaged in market making activity for the subject company – **No**
- Other material disclosures, if any

Disclaimer:

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Neither ABans Broking Pvt. Ltd. (ABSPL), nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. The document is not, and should not be construed as an offer to sell or solicitation to buy any securities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from "ABans Broking Services Private Limited". Your feedback is appreciated on compliance@abans.co.in