NON AGRI COMMODITIES AND CURRENCIES PERFORMANCE

Source: Refinitiv, Angel Commodities

Gold

Gold prices surged this week, poised for their strongest performance since early April, buoyed by weak U.S. employment figures, which fueled expectations of Federal Reserve interest rate cuts this year. Despite a modest uptick in the dollar, gold's ascent was propelled by higher-than-anticipated new unemployment claims, prompting market speculation about a Fed rate reduction. However, concerns about the timing of monetary easing lingered, especially with the European Central Bank potentially cutting rates in June. Meanwhile, China's central bank continued its gold accumulation streak for the 18th straight month, further reinforcing reserves. With CME's FedWatch Tool signaling a 66% probability of rate cuts in September and ongoing Middle Eastern tensions, exemplified by Israel's military operations in Rafah, gold's appeal remains robust amidst market uncertainties.

Gold is likely to trade higher towards Rs.73600/10gms this week. (CMP: Rs.72727/10gms).

Base metals

Despite overall weakness in the base metals sector, copper prices saw a boost on Thursday due to a softened U.S. dollar and ongoing bullish sentiment among investors. However, caution from key consumers like copper wire and cable manufacturers in China led to a buildup of copper inventory levels at a four-year high in monitored warehouses. Mixed signals in U.S. economic recovery, including higher-than-expected new unemployment claims, reignited expectations for interest rate cuts, although profit-taking driven by a stronger dollar offset some gains. Despite this, optimism persists regarding robust demand fueled by the energy transition and technological advancements. Additionally, recent attention on tight supplies and optimistic expectations for Chinese demand, coupled with market speculation

surrounding a potential merger between BHP and Anglo American, continue to influence copper prices.
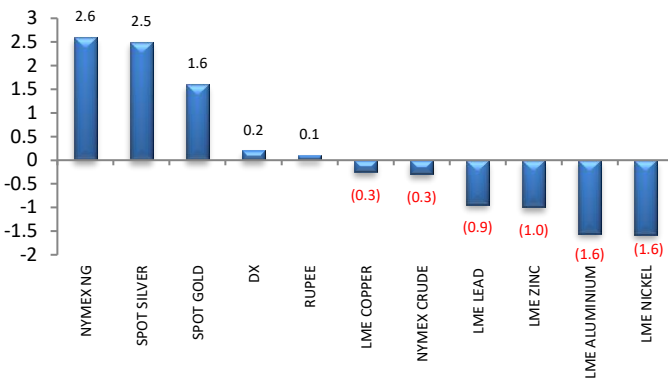
We expect MCX Aluminium prices to trade higher towards Rs.239/kg. (CMP: Rs.230.85/kg).

Oil

After a week of notable losses triggered by concerns over weak U.S. employment data and speculation regarding Federal Reserve interest rate adjustments, crude oil prices have sustained their downward trend. Comments from U.S. central bank officials hinting at prolonged higher interest rates contributed to Friday's decline, despite earlier reaching a one-week high on optimistic demand signals from China and the U.S. However, the surge in new unemployment claims in the U.S. and the Bank of England's steps towards interest rate cuts added to market uncertainties. While a decline in U.S. crude inventories offered some upward momentum mid-week, gains were restrained by a stronger dollar and persistent challenges in refinery utilization. Moreover, hopes for a ceasefire in Gaza and reports of increased U.S. crude inventories further weighed on market sentiment, despite a U.S. government solicitation to purchase oil for the Strategic Petroleum Reserve providing marginal support.

This week, we expect oil prices to trade higher towards Rs.6720/bbl mark. (CMP: Rs.6551/bbl).

Commodity	Weekly Trend deciding levels				
	S1	S2	R1	R2	Trend
MCXBULLDEX	18100	17800	18780	19100	Up
Gold Jun	71900	71100	73600	74600	Up
Spot Gold $	2340	2314	2395	2428	Up
Silver May	82700	80700	86800	88700	Up
Spot Silver $	27.65	27.30	29.00	29.55	Up
Copper May	854	839	883	894	Up
Zinc May	254	247	269	277	Up
Lead May	193	191	198	200	Up
Aluminium May	224	217	239	246	Up
Crude Oil May	6430	6270	6720	6860	Sideways
N G May	181	170	201	210	Up

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