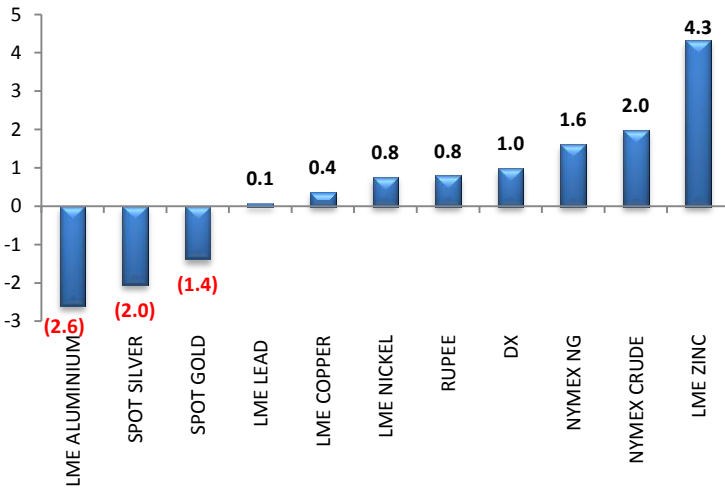


NON AGRI COMMODITIES AND CURRENCIES PERFORMANCE



Source: Reuters, Angel Commodities

Currencies

This week's prime focus shall be on the RBI Monetary Policy Meeting where the committee is expected to keep the repo rate unchanged given the gradual rise in retail inflation. Also, a number of important economic datasets from the US, UK and Europe is expected to be released. Markets remain cautious in the mid-week prior to the Fed Chair Janet Yellen and ECB Chair Mario Draghi speech.

On the global front, the recent shooting in Las Vegas left 59 people dead, injuring 527 others, and sending thousands of terrified survivors fleeing for cover. Also, the Catalonia Referendum that took place on the 1st Oct'17 has kept the European Markets a bit pressurized. According to the Spanish government the referendum was illegal igniting fears amongst the European counterparts that this could give rise to other countries moving out from the EU.

Last week, apart from the Indian Rupee the other two currencies that saw the most volatility were the Euro and Sterling Pound. EURINR slumped by 0.6 percent whereas USDINR depreciated by 0.79 percent and GBPINR slumped by 0.8 percent given the recent strength in the US Dollar Index after the US Fed Chair made a hawkish stance by agreeing to one more rate hike in the coming months.

In the coming week, USDINR spot is expected to weaken towards 65.90 levels given the recent upbeat US manufacturing activity data that rose to its highest level in 13 years, bolstering expectations of a rate hike in the US. This along with the upcoming RBI Policy Meeting shall keep the Indian Rupee in a pressurized zone.

Currency	Weekly Trend Deciding levels			
	S1	S2	R1	R2
USDINR Oct	65.20	64.80	65.90	66.40
EURINR Oct	76.30	75.20	78.50	80.00
GBPINR Oct	86.20	85.40	88.90	90.20
JPYINR Oct	57.50	56.50	59.30	59.60

Commodities

Gold

Spot gold declined by 0.66 percent on Monday to close at \$1270.7 per ounce while Indian markets were closed on 2nd October on account of Gandhi Jayanti. MCX gold prices declines by 1.2 percent last week to close at Rs.29557 per 10 gms.

Stronger dollar on account of good economic data from the US coupled with expectations that the US FED will push the button for the rate hike this December led to the fall in gold prices in the recent weeks.

The euro also came under pressure after Spanish police used batons and rubber bullets to thwart an independence vote in Catalonia on Sunday, leaving hundreds injured. The single currency was down 0.6 percent versus the dollar on Monday.

Speculators cut their net long positions in COMEX gold and silver contracts in the week to Sept. 26, further exerting downside pressure on gold. ***For the week, we expect gold prices to trade lower towards Rs.29300 per 10 gms.***

Copper

Last week, LME Copper prices surged 0.7 percent to close at \$6493/t as National Bureau of Statistics said that the profits of China's industrial firms registered the fastest growth in four years in August buoyed by rising product prices and falling costs.

Also, decline in LME stocks for seven consecutive sessions pushed the inventories lower by around 5 percent with most withdrawals at South Korean warehouses.

Also, BHP-controlled company said Escondida mine in northern Chile, the world's largest copper operation, produced 327,863 mt of copper, in the first six months of the year, declining 39% on the year.

However, limited risk appetite owing to fiery war of words between the US and North Korean President restricted sharp upside.

Besides, latest Commitment of Traders (COT) data released by the Commodity Futures Trading Commission (CFTC) showed cutback in speculative longs in Comex Copper for three weeks in a row.

MCX Copper prices traded higher by 0.7 percent last week in line with international trends.

Chinese markets are closed this week for 'Golden Week holiday' and so we do not expect major movements in base metals. So, we expect Copper prices to trade sideways although there could be some downside pressure ahead of key employment data from the US.

Oil

WTI oil prices declined by more than 3 percent last week while prices declined by 2.1 percent on Monday to close at \$50.6 per barrel. Indian markets were shut yesterday on 2nd October for Gandhi Jayanti, MCX oil prices declined 1 percent to close at Rs.3376 per barrel

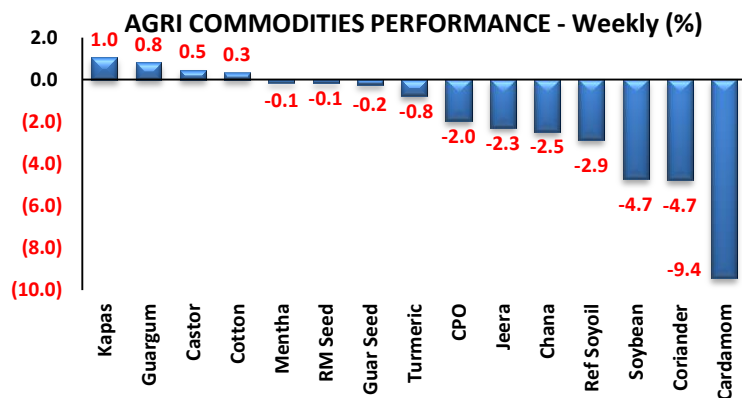
Rise in U.S. drilling and higher OPEC output put the brakes on a rally that helped prices notch their biggest third-quarter gain in 13 years.

Iraq announced its exports rose slightly in September while a Reuter's survey showed OPEC overall boosted output.

U.S. drillers added six oil rigs in the week to Sept. 29, bringing the total count to 750, data from General Electric Co's Baker Hughes energy services firm showed on Friday.

For the week, we expect oil prices to move higher towards Rs.3480 mark.

Weekly Trend Deciding levels					
Commodity	S1	S2	R1	R2	Trend
Gold Oct	29300	29000	29900	30200	Down
Spot Gold \$	1262	1248	1292	1305	Down
Silver Sep	38600	38000	39900	40700	Down
Spot Silver \$	16.20	15.70	17.10	17.60	Down
Copper Aug	423	417	432	439	Sideways
LME Copper	6390	6300	6580	6650	Sideways
Crude oil Sep	3280	3190	3440	3520	Up
Crude Oil \$	49.45	48.00	52.90	54.00	Up
Natural Gas	193	187	202	206	Down
Natural Gas \$	2.93	2.84	3.08	3.15	Down



MCX Cotton Oct futures and NCDEX kapas futures closed higher last week on reports of lower than expected domestic production forecasted by the government. As per latest data from Agricultural Ministry, the area under cotton across the country was at 122 lakh ha in 2017, up nearly 18.7% on year. Cotton area is higher than the normal of 114.9 lakh ha for the period, based on the average of last five years.

During the monsoon season the weather conditions have been largely favourable in the north, erratic rainfall in Southern and Central India,

flooding in some regions of North Gujarat (the largest cotton producing state in the country) and pest problems in some areas, may impact the average yield for the season.

Futures contracts of most of the components of the Oilseed basket fell during last week on the domestic exchanges tracking losses in international markets. Futures contracts of soybean on the National Commodity and Derivatives Exchange (NCDEX) is expected to close 4% lower this week on expectation of increase arrivals of new season crop and reports that government has permitted states to extend the limits on stocks of oilseeds and edible oils with traders and mills till September 30, 2018. Moreover, weakness in most active contracts on the Chicago Board of Trade also weighs on domestic prices. Prices on the international exchange fell due to likely rise in yields of soybean in the US. Similarly, mustard futures on NCDEX closed lower last week due to higher stock levels in the country despite good physical demand from the oil mills.

Edible oil prices on Futures exchange too fall this week taking clues from the International prices. International Soyoil has been under pressure since the U.S. Environmental Protection Agency on Tuesday said it was seeking comment on a proposal to reduce 2018 biodiesel blending requirements. While crude palm oil also traded weak during the week on anticipation of lower export demand from China and India due to good inventories in the respective countries.

Futures contracts of **all spices** traded lower on domestic exchanges due to weak demand and increase in supply in the physical markets. Futures contracts of jeera on the NCDEX is expected to fall for the second consecutive week on weak physical demand as exports are usually lower during the months of September, October and November. Moreover, there are assumptions that the area under jeera may increase by more than 30% in coming rabi season due to higher prices. The most active Turmeric contract for Oct delivery heading for third consecutive weekly fall in anticipation of rise in supply as AP Markfed is expected to auction about 48,500 tonnes of turmeric procured under the price stabilisation scheme to support farmers in October.

The most active October delivery contract of Guar gum on NCDEX, increase for the second consecutive week but most of the gains have corrected as guar seed prices have fallen. The peak arrivals of guar seed is expected during the last three month of the current year.

For the coming week,
SELL NCDEX GUARGUM OCT AT 8100 – 8150, SL – 8350, TARGET – 7400 / 7200
BUY MCX COTTON OCT AT 18300 – 18350, SL – 18000, TARGET – 18900 / 19100

Research Team- (022) 3935 7600 Extn: 6134/36/65/04 **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. The document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. 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 "Angel Commodities Broking (P) Ltd". Your feedback is appreciated on commodities@angelbroking.com