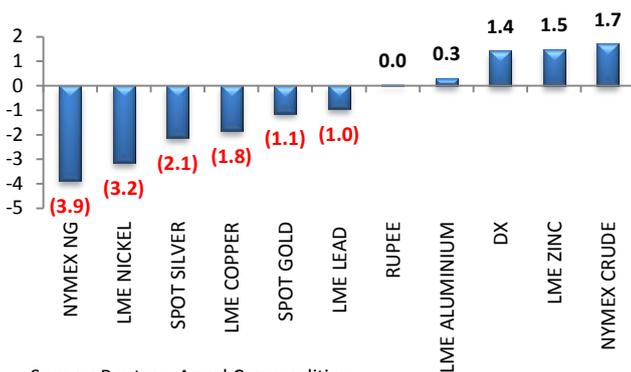


**NON AGRI COMMODITIES AND CURRENCIES PERFORMANCE**


Source: Reuters, Angel Commodities

## Commodities

### Gold

This week, spot and MCX gold prices are trading lower by around 2 percent as dollar gained sharply after the ECB press conference.

The ECB in its latest meeting said it would trim bond purchases to 30 billion euro from 60 billion euros but extended quantitative easing by nine months to September 2018 while the interest rates remain unchanged.

Besides, President Donald Trump's search for the next Fed chair has come down to Fed Governor Jerome Powell and Stanford University economist John Taylor, thereby making it highly likely that the new chief would be a hawk. The rate hikes - one in December and one more next year, and three rate hikes in 2018, are likely to move more rapidly than previously expected under Taylor.

**In addition, US Advanced GDP for quarter ending September turned up higher than expected, providing another positive for DX and hence we expect gold prices to trade lower towards Rs.28800 per 10 gms in the coming week.**

### Copper

Trend in the base metals pack has been quite mixed this week as divergent factors like stronger DX and reiteration of stronger growth in the Chinese economy left investors puzzled.

In the earlier half, Chinese authorities reaffirmed full-year growth target of about 6.5 percent for 2017 despite their stringent anti-pollution measures which is expected to slash industrial output over the winter months.

Besides, supply tightness was confirmed by latest figures from International Copper Study Group (ICSG) which said copper market should see a deficit of 151,000 tonnes this year and a deficit of 104,000 tonnes in 2018.

The rosy days however, did not last long as the US Senate approved a budget resolution for the 2018 fiscal year. Along with this, the ECB in its latest meeting was deemed

to be more dovish. This led to sharp upside in the DX towards three month highs of 94.62, exerting further pressure on dollar denominated commodities.

**Strength in the DX citing economic and political developments in the US will exert further pressure ahead of the FOMC statement release. So, we can expect prices to test lows of Rs.435/kg in the coming week.**

### Oil

WTI, Brent and MCX oil prices are trading 2 percent higher this week on optimism boosted by commitment on further output cuts.

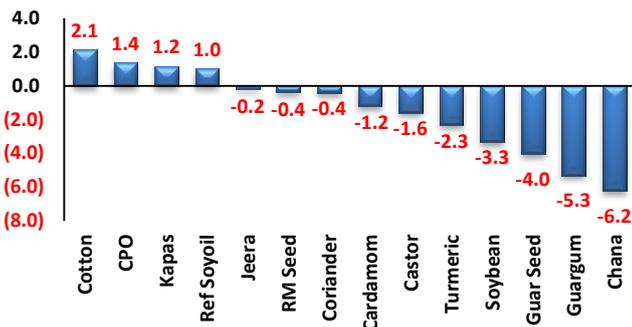
Oil prices have held up this week as Saudi Arabia's Crown Prince Mohammad bin Salman told Reuters that "of course" he wanted to prolong the OPEC curbs beyond the end of March 2018. He added that they are committed to work with all producers, OPEC and non-OPEC countries and will support anything to stabilise the oil demand and supply.

Further, Russia and Saudi Arabia reiterated their commitment to tackling the global oil supply glut, while hinting at extending an OPEC-led production cutting deal through the end of next year.

This optimism boosted the oil prices despite an unexpected build in US stocks. U.S. crude inventories unexpectedly rose by 856,000 barrels last week as against estimates of decrease of 2.6 million barrels, making it the first increase in five weeks.

**Latest bout of optimism from Saudi and other OPEC members will be positive for oil prices although a stronger dollar would cap upside. For the week, we expect oil prices to move higher towards Rs.3600 mark.**

Commodity	Weekly Trend Deciding levels				Trend
	S1	S2	R1	R2	
Gold Dec	28900	28700	29600	29900	Down
Spot Gold \$	1258	1246	1280	1290	Down
Silver Dec	38300	37500	39800	40500	Down
Spot Silver \$	16.4	16.05	17.15	17.55	Down
Copper Nov	443	436	455	462	Down
Crude oil Nov	3330	3270	3480	3590	Up
Crude Oil \$	51.10	49.80	5380.00	55.10	Up
Natural Gas Oct	190	184	202	208	Sideways
Natural Gas \$	2.80	2.72	2.91	2.97	Sideways

**AGRI COMMODITIES PERFORMANCE**

**Oilseed**

**NCDEX Soybean Nov contract** closed lower by 3.3% this week, pressurized by subdued physical demand coupled with new season arrivals and higher stocks from last year. Moreover, on reports of lower meal exports in September is also worrying farmers. **Mustard Nov futures** plunge more than 1.5% on Friday after touching 7 month higher during the week to close little lower this week. This steep fall is due to profit booking coupled with reports of higher stock positions with the farmers. Winter demand and announcement of higher MSP supported the prices during the first half of week.

**For the next week, the prices of Soybean may trade higher due to bargain buying, increase demand from oil mills while mustard prices may correct further in technical selling.**

**Edible oil**

Refined Soy Oil Nov futures is expected to closed higher this week on firm soy oil prices in international market. Moreover, reports that the Solvent Extractors' Association of India (SEA) has once again requested the Centre to increase the import duty on edible oils to protect the farmers. Currently, the prices have been trading at one month higher due to good physical demand and lower imports of soy oil during the current oil year. **MCX CPO** closed marginally higher this week; its third consecutive weekly gain supported by firm palm oil in Malaysia.

**Edible oil prices may trade higher on good physical demand, firm International prices and weaker rupees.**

**Fiber**

**MCX Cotton Oct futures** expected to close higher by 2% this week as Gujarat government has announced a bonus of ₹500 per quintal over and above the minimum support price of ₹4,020. However, the prices have corrected during the week as focus shifted to expectation of higher production.

**Cotton prices may trade sideways to lower on weak international prices although reports of lower than expected crop size and government support may keep support prices at current levels.**

**Guar Complex**

Most active November contracts for guar seed and guar gum prices closed lower this week due to seasonal arrival pressure and good carryover stocks with the farmers. As per Agmarknet data, the arrivals of guar seed during 1-25 October is 23,463 tonnes compared to 20,530 tonnes last year. **Guar complex may trade sideways to lower on anticipation of seasonal arrivals and higher stocks with the stockists and traders.**

**Pulses**

Chana futures fall more than 6% this week, due to higher stocks with the traders and farmers. Moreover, expectation of good sowing in coming rabi is pressurizing prices further. Futures prices are well above the MSP prices while sufficient stocks levels in the country and good production forecast for next season may keep the prices near MSP during the sowing season. **Chana prices may trade sideways in coming week due to higher stocks and steady physical demand.**

**Spices**

**NCDEX Jeera** closed little lower this week on subdued demand from the physical players due to weak exports. . As per government data, Jeera exports during first four month of FY 2017/18 (Apr-Jul) is 49,205 tonnes, down 11% compared to last year exports volume for the same period. **Turmeric futures** for Nov delivery closing in red for the first time in 4 weeks on lower physical demand as traders are waiting for upcountry demand. Market is expecting higher production in the new season. The arrivals have been lower during first 25 days of October at 5,642 tonnes compared to 8,472 tonnes last year same period according to Agmarknet data. **Jeera prices are expected to recover in the coming weeks on anticipation of export demand. While turmeric may trade sideways on expectation of lower demand and higher expected production in coming season.**

Commodity	Weekly Trend Deciding levels				
	S1	S2	R1	R2	Trend
Chana Nov	5100	4980	5450	5600	Sideways
Soyabean Nov	2840	2780	2970	3050	Up
RMSeed Nov	3800	3740	3960	4050	Sideways
GuarSeed Nov	3580	3450	3850	3950	Down
GuarGum Nov	7900	7600	8400	8600	Down
Castor Seed Nov	4400	4180	4700	4950	Down
Jeera Nov	18500	18200	19400	19900	UP
Turmeric Nov	7300	7100	7800	8100	Sideways
Mentha Oil Nov	1235	1210	1285	1300	Up
Cotton Nov	18300	18000	18900	19200	Sideways

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