



MCX WEEKLY REPORT

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COMMODITY WEEKLY NEWS UPDATES:

GOLD/SILVER:

Gold hit a one-week low on Thursday as a stronger dollar, upbeat sentiment on equities and positive U.S. growth data dented the appeal of the safe-haven asset, though the metal was still stuck in its narrowest monthly range in 12 years. The dollar was firm after Wednesday's uplift on third-quarter U.S. economic growth revised upwards to 3.3 percent, making dollar-priced gold costlier for non-U.S. investors. Global equities were on course to finish November with a 13th consecutive monthly gain, though a dive in U.S. tech stocks left investors wondering whether the longest global equity bull run in living memory might be starting to splutter. Also denting investor optimism and signalling underlying support for gold going forward, investors were growing wary about the staggered progress of U.S. tax reform legislation. The U.S. economy has gathered steam this year and will warrant continued interest rate increases amid a strengthened global recovery, Federal Reserve Chair Janet Yellen said on Wednesday.

CRUDE OIL:

OPEC and non-OPEC oil giant Russia agreed Thursday to extend production cuts until the end of 2018, following hours of discussions in Vienna, an OPEC source told CNBC. The move was heavily telegraphed ahead of the decision, but the oil producers had earlier indicated they could exit the deal if they feel the market was overheating. The producers will review the deal at the next OPEC meeting in June, according to CNBC's source. Reuters and Dow Jones also reported the detail while OPEC drafted its communique. Additionally, Nigeria and Libya, two OPEC members exempt from the deal, have agreed not to increase their output above 2017 levels, according to the news agencies. Saudi Energy Minister and current OPEC president Khalid al-Falih exceeded expectations by securing Nigeria and Libya's cooperation. The deal to cut oil output by 1.8 million barrels a day was adopted by the 14-member OPEC cartel, Russia and nine other global producers. The initial agreement, arrived at in November 2016, was due to end in March 2018, having already been extended once.

BASE METAL:

Copper ended November down more than 1 percent on concerns over slowing demand from China, though the metal held steady into the close on Thursday on the back of upbeat manufacturing data from the world's largest metals consumer. Growth in Chinese manufacturing unexpectedly picked up this month despite a crackdown on air pollution and a cooling property market, the official Purchasing Managers' Index showed. Nickel has been the biggest faller among industrial metals this month, tumbling more than 9 percent after October's sharp rally as traders bet that hopes for rising electric vehicle demand had become overstretched. Three-month London Metal Exchange copper closed at \$6,762 a tonne, little changed from the previous day but down 1.2 percent overall in November. Copper stocks held in LME warehouses fell another 3,200 tonnes, data showed on Thursday, taking them to their lowest since July 2016 at 188,525 tonnes. Elsewhere, Workers at Southern Copper Corp in Peru said they completed a ninth day of a strike on Wednesday. A union at Teck Resources' Quebrada Blanca copper mine rejected a contract offer from the Canadian miner, increasing the likelihood of a strike. LME nickel ended the day down 3.6 percent at \$11,110 a tonne, a seven-week low.

RECOMMENDATION IN ALL:

SCRIPT NAME	TREND	CLOSING PRICE	RECOMMENDATIONS
GOLD (FEB)	BEARISH	29395	SELL ON RISE
SILVER (MAR)	BEARISH	38446	SELL ON RISE
CRUDE (DEC)	BULLISH	3762	BUY IN DIPS
NATURAL GAS (DEC)	BULLISH	198.80	BUY IN DIPS TGT @204-210
LEAD (DEC)	BEARISH	164.55	SELL ON RISE
ZINC (DEC)	BEARISH	210	SELL ON RISE
ALUMINIUM (DEC)	BEARISH	133.75	SELL ON RISE
COPPER (FEB)	BEARISH	444.25	SELL ON RISE
NICKEL (DEC)	BEARISH	731.40	SELL ON RISE SELL LEVAL @710

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