

Bullion

Since the past few days, gold prices have been trading higher with investors cautious about the potential effects of President Donald Trump's tariffs and ahead of the U.S. economic data set to be released later this week.

Last weekend, the US President Trump slapped a 25% tariff on imports from Canada and Mexico and said he was still considering new tariffs on Chinese goods. Canada and Mexico ordered retaliatory measures. China, too, imposed tariffs on U.S. imports in a swift response to new U.S. duties, escalating the trade war between the world's top two economies.

The Trump administration's plans for trade tariffs come with inflation risks, three Fed officials warned on Monday, with one arguing that uncertainty over the outlook for prices calls for slower interest rate cuts than otherwise. Bullion is traditionally considered a hedge against both inflation and geopolitical uncertainty, but higher rates reduce the non-yielding asset's appeal.

Silver

Yesterday, both Spot Silver and MCX Silver surged by 0.68 percent and 0.27 percent respectively, closing at 32.3 per ounce and Rs. 95965 kg respectively.

Outlook

Today, gold prices are likely to trade higher bolstered by fears of a new trade war between the United States and China after Beijing slapped tariffs on U.S. imports in response to new U.S. duties on Chinese goods.

Technical Outlook for 6-Feb-25

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX FEB'25	19510	19920	20790	21060
GOLD - APR'25	83830	84220	84980	85260
SPOT GOLD	2790	2840	2940	2990
SILVER - MAR'25	94390	95550	96990	97850
SPOT SILVER	31.70	32.30	33.40	34.00

Market Highlights (% change)

as on 5th Feb'25

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	87.3	0.31	0.91	2.81	3.95
Euro/\$ (Spot)	90.8	0.52	0.99	2.54	-1.25
Dollar Index	107.6	-0.35	-0.20	-0.04	4.76
NIFTY	23696.3	-0.18	1.92	0.46	-1.49
SENSEX	78271.3	-0.40	1.97	0.29	-0.62

Source: Refinitiv

Market Highlights Gold (% change)

as on 5th Feb'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2865.1	0.81	2.55	9.32	19.00
Gold (Spot - Mumbai)	85880.0	1.20	3.85	12.25	22.05
Comex	2871.6	0.64	1.72	9.24	19.57
MCX Gold	84701.0	1.33	3.64	10.84	20.61
MCX BULLDEX	20306	1.01	3.24	9.50	#N/A

(Comex, Gold spot in \$ per ounce, MCX, Gold spot Mumbai in Rs/10 gms)

Source: Refinitiv

Market Highlights Silver (% change)

as on 5th Feb'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	32.3	0.68	2.03	9.48	18.47
Silver (Spot - Mumbai)	99550.0	1.07	1.04	9.85	16.09
Comex	32.9	-0.09	1.52	10.78	21.35
MCX Silver	95965.0	0.27	2.70	8.57	20.56

(Comex in \$ per ounce, MCX, Silver spot in Rs/kg)

Source: Refinitiv

Energy

Crude Oil

Yesterday, crude prices plunged sharply as a large build in U.S. crude and gasoline stockpiles signaled weaker demand, while worries about a new China-U.S. trade war fueled fears of softer economic growth. U.S. crude oil inventories rose sharply last week as refiners facing soft gasoline demand did maintenance work.

Moreover, concern over a new trade war between the U.S. and China, the world's largest energy importer, also pressured prices. China announced tariffs on imports of U.S. oil, liquefied natural gas and coal in retaliation for U.S. levies on Chinese exports, pushing WTI down 3% at its session low, the lowest since Dec. 31.

Yesterday, Iran's President Masoud Pezeshkian urged OPEC members to unite against possible U.S. sanctions, after Trump said he would restore the "maximum pressure" campaign on Iran that he enacted in his first term. Trump drove Iran's oil exports to near zero during part of his first term after reimposing sanctions to curtail the country's nuclear program.

Outlook

Crude prices are likely to trade higher after Saudi Arabia's state oil company Aramco, the world's leading oil exporter, announced it would sharply increase prices to buyers in Asia for March delivery amid rising demand from China and India as U.S. sanctions disrupt Russian supply.

Technical Outlook for 6-Feb-25

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX CRUDE FEB'25 (RS/BBL)	6020	6110	6340	6460
WTI CRUDE OIL (\$/BBL)	65.40	68.10	73.50	78.80
BRENT CRUDE OIL (\$/BBL)	67.20	71.00	79.70	83.00
MCX NATURAL GAS FEB'25	262	274	296	305

Market Highlight Crude Oil (% change) as on 5th Feb'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	75.9	-2.01	-3.39	0.97	-3.68
NYMEX CRUDE	71.0	-2.30	-2.34	2.26	-2.62
ICE BRENT CRUDE	74.6	-2.09	-2.94	2.29	-2.21
MCX CRUDE	6230.0	-1.78	-1.41	4.92	1.37

(Brent & NYMEX Crude in \$ per bbl, MCX Crude in Rs/bbl)

Source: Refinitiv

Market Highlight Natural Gas (% change) as on 5th Feb'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.4	3.29	10.27	-10.35	73.02
MCX NG	287.0	-0.52	5.86	-1.41	64.94

(NYMEX NG in \$/MMBtu, MCX NG in Rs/MMBtu)

Source: Refinitiv

Base Metals

Yesterday, the base metals traded higher as the dollar retreated, while investors looked for any developments on the latest trade war between the United States and top metals consumer China.

Earlier this week, China imposed tit-for-tat tariffs on some U.S. imports, escalating the trade tension between the world's two top economies, while President Donald Trump gave temporary tariff exemptions to Mexico and Canada.

Attention will also be on China to see if the country unveils more stimulus in its National People's Congress meeting in March, given the tariff war and concerns about slow demand.

Outlook

Today, most of the base metals are likely to trade higher as the dollar index takes a backseat making greenback-priced commodities cheaper for holders of other currencies.

Technical Outlook for 6-Feb-25

Base metals (Rs/Kg)	SUPPORT		RESISTANCE	
	S2	S1	R1	R2
MCXMETLDEX FEB'25	17140	17450	17970	18250
LME COPPER (\$/TONNE)	9050	9130	9380	9470
COPPER FEB'25	826	838.10	862.90	874.80
ZINC FEB'25	258.10	263.20	272.20	278.70
LEAD FEB'25	170.60	174.60	183.40	187.80
ALUMINIUM FEB'25	246.20	250.40	259.60	263.10

Market Highlights Base Metals (% change)

 as on 5th Feb'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	9240.0	0.98	1.22	3.34	3.95
MCX COPPER	851.0	1.32	2.70	6.58	9.48
LME ALUMINIUM (3 MONTH)	2616.0	-0.82	-0.40	3.22	16.27
MCX ALUMINIUM	255.0	0.41	-0.14	4.94	20.97
LME NICKEL (3 MONTH)	15535.0	1.74	0.92	1.17	-4.55
MCX NICKEL	1330.8	-0.31	-1.46	0.44	-3.11
LME LEAD (3M)	2003.0	1.68	1.80	1.16	3.76
MCX LEAD	180.5	0.36	1.49	2.32	-0.55
LME ZINC (3 MONTH)	2780.0	-0.98	-0.48	-6.44	5.56
MCX ZINC	267.3	-0.21	1.98	-4.23	7.89

(LME IN \$/Tonne, MCX in Rs/kg)

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	5/2/25	4/2/25	CHG	%CHG
COPPER	252325	254950	-2625	-1.03%
ALUMINIUM	576700	581200	-4500	-0.77%
NICKEL	172584	172584	0	0.00%
ZINC	174150	176425	-2275	-1.29%
LEAD	221175	220875	300	0.14%

Source: Refinitiv

Economic Indicator to be released on 6-Feb-25

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
BOE Monetary Policy Report	UK	5:30pm	-	-	-	High
Official Bank Rate	UK	5:30pm	-	4.50%	4.75%	High
Unemployment Claims	US	7:00pm	-	214K	207K	High

Research Team

Prathamesh Mallya

DVP Research (Non-Agro Commodities & Currency)

prathamesh.mallya@angelbroking.com

Boardline: 022-39357600

Heena Naik

Research Analyst

Heena.naik@angelbroking.com

Boardline: 022-39357600

Angel One Ltd.

Registered Office: G-1, Ackruti Trade Centre, Rd. No. 7, MIDC, Andheri (E), Mumbai - 400 093.

Corporate Office: 6th Floor, Ackruti Star, MIDC, Andheri (E), Mumbai - 400 093. Tel: 080-47480048

MCX Member ID: 12685 / FMC Regn No: MCX / TCM / CORP / 0037 NCDEX: Member ID 00220 / FMC Regn No: NCDEX / TCM / CORP / 0302

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 One Ltd". Your feedback is appreciated on advisory@angelbroking.com