

Bullion

Yesterday, the gold prices plunged by more than 1 percent pressured by a firmer U.S. dollar, while investors focussed on the Federal Reserve's first meeting of 2025 for more guidance on the interest rate path.

Apparently, the US and Colombia pulled back from the brink of a trade war after the White House said the South American nation had agreed to accept military aircraft carrying deported migrants. Gold is considered a hedge against geopolitical turmoil and inflation. It also tends to thrive in a low interest rate environment as it yields no interest.

With regards to the upcoming FOMC meet, the Fed policymakers are largely expected to keep rates steady at the end of their Jan. 28-29 meeting, marking the first pause in the rate-cutting cycle that began in September. Market focus will likely be on how the Fed reacts to comments from President Trump, who has called for continued interest rate cuts.

Silver

Last week, Spot Silver and MCX Silver surged by 0.38 percent and 0.17 percent respectively, closing at 30.6 per ounce and Rs. 91599 kg respectively.

Outlook

Today, gold prices are likely to trade in a range bound manner as investors focused on the U.S. Federal Reserve's policy meeting to see if President Donald Trump's policies have an impact on the central bank's views.

Technical Outlook for 28-Jan-25

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX FEB'25	18810	19020	19450	19660
GOLD - FEB'25	79170	79320	79880	80060
SPOT GOLD	2660	2700	2790	2830
SILVER - MAR'25	88090	89150	91340	92750
SPOT SILVER	29.60	30.00	31.00	31.60

Market Highlights (% change)

 as on 27th Jan'25

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	86.4	0.17	-0.26	1.83	3.14
Euro/\$ (Spot)	90.5	0.16	1.89	1.77	-0.25
Dollar Index	107.3	-0.09	-1.83	0.59	2.86
NIFTY	22829.2	-1.14	-1.61	-7.36	-6.46
SENSEX	75366.2	-1.08	-1.64	-7.56	-5.84

Source: Refinitiv

Market Highlights Gold (% change)

 as on 27th Jan'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2741.1	-1.09	1.46	0.85	15.93
Gold (Spot - Mumbai)	81971.0	-0.16	1.09	3.48	15.98
Comex	2737.5	-1.43	-0.25	0.14	16.40
MCX Gold	79578.0	-0.56	0.70	0.73	17.96
MCX BULLDEX	19347	-0.13	0.98	-0.27	#N/A

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

Market Highlights Silver (% change)

 as on 27th Jan'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	30.2	-1.34	-0.46	-5.34	7.97
Silver (Spot - Mumbai)	96530.0	-1.15	-0.09	0.93	10.45
Comex	30.3	-2.48	-2.25	-7.09	8.80
MCX Silver	90223.0	-1.50	-1.51	-5.82	10.93

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

Source: Refinitiv

Energy

Crude Oil

Yesterday, the crude prices plunged by more than 1 percent after U.S. President Trump called on OPEC to reduce prices following the announcement of wide-ranging measures to boost U.S. oil and gas output in his first week in office.

In his last week's speech, the US President Trump reiterated his call for the OPEC to cut oil prices to hurt oil-rich Russia's finances and help bring an end to the war in Ukraine. Trump has also threatened to hit Russia "and other participating countries" with taxes, tariffs and sanctions if a deal to end the war in Ukraine is not struck soon.

However, OPEC and its allies including Russia has yet to react to Trump's call, with OPEC+ delegates pointing to a plan already in place to start raising oil output from April. Both benchmarks posted their first decline in five weeks last week as concerns eased about sanctions on Russia disrupting supplies.

Outlook

Crude prices are likely to trade lower as news of surging interest in Chinese startup DeepSeek's low-cost artificial intelligence (AI) model prompted concerns over energy demand to power data centers.

Technical Outlook for 28-Jan-25

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX CRUDE FEB'25 (RS/BBL)	6090	6210	6440	6560
WTI CRUDE OIL (\$/BBL)	66.40	70.10	77.50	80.80
BRENT CRUDE OIL (\$/BBL)	70.20	73.00	82.70	85.00
MCX NATURAL GAS FEB'25	256	267	291	303

Market Highlight Crude Oil (% change)

 as on 27th Jan'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	78.3	-1.40	-6.60	2.58	-7.00
NYMEX CRUDE	73.2	-2.00	-6.05	4.10	-6.53
ICE BRENT CRUDE	77.1	-1.81	-4.59	4.84	-6.42
MCX CRUDE	6300.0	-1.98	-7.00	6.17	-4.14

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

Source: Refinitiv

Market Highlight Natural Gas (% change)

 as on 27th Jan'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.7	-8.19	-6.36	9.44	81.14
MCX NG	279.7	-5.38	-8.98	4.06	59.10

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

Source: Refinitiv

Base Metals

Yesterday, the base metals traded lower on account of stronger US Dollar Index. Copper prices plunge dby more than 1 percent as concerns over bleak demand from top consumer China and the potential impact from U.S. President Donald Trump's tariff policies weighed on market sentiment.

Recent economic data showed that China's manufacturing activity unexpectedly contracted in January, keeping alive calls for stimulus in the world's second-largest economy. Further weighing on sentiment were fears of potential tariffs, which are back in the picture after the U.S. and Colombia pulled back from the brink of a trade war.

Moreover, emergence of China's DeepSeek free AI assistant, which claims to use lower-cost chips and less data boosted the demand for the US Dollar Index. A stronger dollar makes greenback-priced commodities more expensive for holders of other currencies.

Outlook

Today, copper prices are likely to trade on a negative after the emergence of China's DeepSeek free AI assistant which raised the prospect of less power and spending needed for AI chips going forward. This is negative for copper.

Technical Outlook for 28-Jan-25

Base metals (Rs/Kg)	SUPPORT		RESISTANCE	
	S2	S1	R1	R2
MCXMETLDEX FEB'25	17040	17250	17970	18050
LME COPPER (\$/TONNE)	8850	8930	9180	9270
COPPER FEB'25	813	820.10	834.90	844.80
ZINC FEB'25	262.10	266.20	274.00	279.70
LEAD FEB'25	170.60	173.60	182.40	187.80
ALUMINIUM FEB'25	242.20	246.40	253.60	258.10

Market Highlights Base Metals (% change) as on 27th Jan'25

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	9095.0	-1.95	-1.03	-1.06	-0.30
MCX COPPER	832.9	-1.00	0.01	0.40	6.02
LME ALUMINIUM (3 MONTH)	2602.5	-1.46	-3.05	0.06	14.62
MCX ALUMINIUM	250.7	-0.83	-2.11	2.41	21.32
LME NICKEL (3 MONTH)	15560.0	-0.69	-3.34	-1.88	-1.33
MCX NICKEL	1361.5	-1.10	-1.14	0.17	1.04
LME LEAD (3M)	1949.0	0.52	-0.92	-4.60	-3.92
MCX LEAD	177.2	-0.34	-0.31	-1.28	-8.59
LME ZINC (3 MONTH)	2839.0	0.41	-3.50	-9.17	5.89
MCX ZINC	266.1	-1.08	-4.14	-8.54	3.32

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

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	27/1/25	24/1/25	CHG	%CHG
COPPER	255825	257625	-1800	-0.70%
ALUMINIUM	592625	595175	-2550	-0.43%
NICKEL	173772	173808	-36	-0.02%
ZINC	186650	188425	-1775	-0.94%
LEAD	224750	225475	-725	-0.32%

Source: Refinitiv

Economic Indicator to be released on 28-Jan-25

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
CB Consumer Confidence	US	8:30pm	-	105.7	104.7	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