

PRECIOUS METALS

PRECIOUS METALS MARKET WATCH

Precious Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Gold Rs.	OCT1	26202	26398	25580	25673	-531	-2.03
COMEX Gold \$	OCT1	1795.6	1815.8	1733.1	1749.9	-32.8	-1.84
MCX Silver Rs.	SEPI	59228	59340	57490	57963	-1340	-2.26
COMEX Silver \$	SEPI	39.285	39.86	37.935	38.669	-0.658	-1.67

LONDON FIXING

	A.M. FIXING	P.M. FIXING
Gold	1786	1760
Silver Fix AM	39.18	

US \$ INDEX

	Close	% Change
US \$ INDEX	74.612	-0.235

ETF HOLDINGS as on previous close

ETF	in tonnes	Change
SPDR Holding	1296.52	-13.4
iShares Holding	9772.56	-118.18

FOREX MARKET WATCH

Currency	Open	High	Low	Close	Change	% Chg
USD/INR	45.32	45.46	45.215	45.42	0.16	0.35
USD/JPY=	76.89	77.25	76.32	76.88	-0.07	-0.09
EUR/USD	1.4174	1.4297	1.4104	1.4247	0.0071	0.50

FUNDAMENTAL OUTLOOK

Precious metals are trading higher in COMEX today. We expect prices to remain under pressure as risk appetite revived after reassuring U.S. jobs data soothed anxious investors, but is poised for its best week since February 2009.

MARKET ROUNDUP

Precious metals extended losses on Thursday to slide more than 2 percent as a higher opening on Wall Street and the CME Group's decision to hike margin requirements for COMEX gold futures prompted investors to cash in some gains after the previous days near 3 percent rally.

IN FOCUS

- Holdings in the SPDR Gold Trust the world's largest gold-backed exchange traded fund fell to 1272.89 tonnes by Aug 11, down by 23.63 tonnes from the previous business day.
- Holdings in the world's largest silver backed exchange-traded fund iShares Silver Trust fell to 9772.56 tonnes by Aug 11, unchanged from the previous business day.
- The price per ounce of gold could be between \$2,000 and \$2,500 in 2012, Carlos Galvez, chief executive of Peru's top precious metal miner Buenaventura said on Thursday.
- AngloGold Ashanti, Africa's biggest gold producer, said on Thursday that a worker was killed at its Mponeng mine in South Africa after a seismic event, bringing mining operations to a halt in the affected area.

BASE METALS

BASE METALS MARKET WATCH

Base Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Copper Rs.	AUG1	393	404	393	402	10.3	2.63
LME Copper \$	3M	8825	8905	8820	8881	286	3.28
MCX Zinc Rs.	AUG1	96.3	99.2	96.3	98.55	2.95	3.09
LME Zinc \$	3M	2162	2186	2150	2186	85.5	4.07
MCX Nickel Rs.	AUG1	962.7	984.8	953.7	981.1	22.3	2.33
LME Nickel \$	3M	21350	21600	21205	21600	630	3.00
MCX Lead Rs.	AUG1	104.5	108.7	104.5	108.25	4.35	4.19
LME Lead \$	3M	2314	2385	2309	2385	110	4.84
MCX Aluminium	AUG1	108.6	109.1	107.9	108.7	0.75	0.69
LME Aluminium	3M	2403	2427	2403	2413	17	0.71

SHANGHAI MARKET WATCH

Metals	Close	Change	% Chg	Index	Close	Change
Aluminium	18060	105	0.58	Baltic Dry Index	1277	12
Copper	66900	-400	-0.59	CRB Index	-	-
Zinc	16600	35	0.21	DJ Commodity Index	-	-

INDICES

LME WAREHOUSE STOCK

Metals	Prev.	Net	Total	Metals	L/W*	C/W*	Change
Copper	464025	-875	463150	Copper	454850	8300	-700
Zinc	882425	-900	881525	Zinc	773575	107950	-750
Nickel	102876	624	103500	Nickel	97638	5862	-144
Lead	309825	-675	309150	Lead	293625	15525	4375
Alum	4580800	-8225	4572575	Alum	4268975	303600	-8175

LME WARRANTS

FUNDAMENTAL OUTLOOK

Industrial metals are trading higher on International bourses today. We expect prices to bounce back in the following trading session boosted by an overnight rebound in U.S. and European equities, and better-than-expected U.S. jobless claims data.

MARKET ROUNDUP

Industrial metals ended up on Thursday for only the second time this month but posted its biggest daily gaining nearly nine months, as positive economic signals in the world's top-two consumers powered the rally.

IN FOCUS

- The coal-fired power station which supplies all of the energy to Rio Tinto Alcan's Lynemouth aluminium smelter in northeast England, must switch to biomass generation if it is to have a long-term future, a spokesman for the company said.
- Steel demand in Japan will fall short of expectations as political wrangling holds up cash injections after a devastating March 11 earthquake and tsunami, while the construction sector is battling a deep slump, hobbled by a strengthening yen.
- China's copper imports rose 9.5 percent to a six-month high in July as material purchased during a period of lower prices in May and June arrived at ports, but may decline in August.
- Workers could slow production at mining giant Vale next week as part of a labor protest, a union official said on Thursday, which would be an unusual event for a company that generally suffers few labor-related interruptions.

ENERGY

ENERGY MARKET WATCH

Energy	Contract	Open	High	Low	Close	Change	% Chg
MCX Crude	AUG1	3708	3825	3690	3793	86	2.32
NYM Crude	SEP1	81.95	85.97	81.03	84.98	-0.74	-0.86
MCX Natgas	AUG1	181.7	188	179.1	187.4	5.6	3.08
NYM Natgas	SEP1	3.998	4.143	3.94	4.111	0.003	0.07

INDICES

EXCHANGE VOLUME on previous close

Index	Close	Change	Exchange	Volume (in crores)
Clean Tanker Index	674	2	MCX	83451.45
Dirty Tanker Index	701	-4	NCDEX	7735.05

ENERGY INDICATORS

Date	Time	Energy Data	Country	Prior	Consensus	Actual
10Aug	8.00pm	Crude Stock	U.S.	0.950	1.500	-5.225
10Aug	8.00pm	Gasoline Stock	U.S.	1.701	0.500	-1.588
10Aug	8.00pm	Distillate Stock	U.S.	0.409	1.100	-0.737
10Aug	8.00pm	Refinery Utilisation	U.S.	1.0		0.700
10Aug	8.00pm	Stocks at Cushing Oklahoma	U.S.	-1.149		-1.372
10Aug	8.00pm	Natural Gas Inventory	U.S.	44	37	25

FUNDAMENTAL OUTLOOK

Crude oil is trading marginally lower on NYMEX today. We expect prices to remain under pressure as the dollar strengthened and demand concerns from industrialized nations will pressurize prices.

MARKET ROUNDUP

Crude oil rose more than 3 percent on Thursday as an equities rally and a supportive drop in jobless claims helped offset concerns about French banks and fears that Europe's debt crisis will spread.

IN FOCUS

- OPEC, source of more than a third of the world's oil, is unlikely to become concerned about a slide in oil prices unless Brent crude falls towards \$90 a barrel, OPEC delegates said on Thursday.
- U.S. crude and oil products stocks posted surprise drawdown last week as crude imports fell slightly and refinery utilization increased, U.S. Energy Information Administration data showed on Wednesday.
- Venezuela's oil production fell to 2.77 million barrels per day (bpd) in June from 2.79 million bpd the month before, the oil ministry said on Thursday.
- China's crude imports didn't bounce in July as had been forecast, but perhaps this isn't surprising as an analysis of buying trends shows the world's second-biggest oil user is more price sensitive than the market may expect.

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