

PRECIOUS METALS

PRECIOUS METALS MARKET WATCH

Precious Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Gold Rs.	FEB2	28045	28244	27997	28155	5	0.02
COMEX Gold \$	APR2	1747.3	1764	1743.3	1759.3	9.8	0.56
MCX Silver Rs.	MAR2	57248	57248	57219	57226	203	0.36
COMEX Silver \$	MAR2	33.69	34.41	33.455	34.175	0.368	1.09

LONDON FIXING

	A.M. FIXING	P.M. FIXING
Gold	1747.5	1751
Silver Fix AM		33.67

US \$ INDEX

	Close	% Change
US \$ INDEX	78.424	0.415

ETF HOLDINGS as on previous close

ETF	in tonnes	Change
SPDR Holding	1277.13	6.04
iShares Holding	9621.94	12.99

FOREX MARKET WATCH

Currency	Open	High	Low	Close	Change	% Chg
USD/INR	49.05	49.22	49.02	49.05	0.14	0.29
USD/JPY	76.2	76.28	76.05	76.22	-0.02	-0.03
EUR/USD	1.3169	1.3199	1.3086	1.3159	-0.0011	-0.08

FUNDAMENTAL OUTLOOK

Precious metals are trading flat on COMEX today. We expect prices to trade range bound for the day, later we have U.S. labor market report which would decide the direction for prices.

MARKET ROUNDUP

Precious metals rose to a two-month high on Thursday on a larger-than-expected fall in new U.S. claims for unemployment benefits, but analysts said bullion could pull back if Friday's U.S. jobs report disappoints.

IN FOCUS

- Holdings in the SPDR Gold Trust the world's largest gold-backed exchange traded fund stood at 1271.09 tonnes by Feb 01, remains unchanged from the previous business day.
- Holdings in the world's largest silver backed exchange-traded fund iShares Silver Trust stood at 9608.95 tonnes by Feb 01, remains unchanged from the previous business day.
- Peru's mining ministry said on Thursday the output of copper, gold and lead rose in December 2011 from the same month a year earlier.

BASE METALS

BASE METALS MARKET WATCH

Base Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Copper Rs.	FEB2	417.6	418.3	410.4	411.7	-7	-1.67
LME Copper \$	3M	8400	8439	8360	8440	120	1.44
MCX Zinc Rs.	FEB2	104.6	104.9	102.2	102.55	-2.15	-2.05
LME Zinc \$	3M	2115	2139	2100	2131	25	1.19
MCX Nickel Rs.	FEB2	1026.9	1026.9	1026.9	1026.9	0.2	0.02
LME Nickel \$	3M	20900	20975	20750	20975	120	0.58
MCX Lead Rs.	FEB2	109.45	109.9	104.8	105.85	-4	-3.64
LME Lead \$	3M	2245	2245	2226	2235	22	0.99
MCX Aluminium	FEB2	111.05	111.2	107.6	108	-3.3	-2.96
LME Aluminium	3M	2270	2270	2243	2265	27	1.21

SHANGHAI MARKET WATCH

Metals	Close	Change	% Chg	Index	Close	Change
Aluminium	16045	15	0.09	Baltic Dry Index	651	-11
Copper	59140	320	0.54	CRB Index	-	-
Zinc	15750	190	1.22	DJ Commodity Index	-	-

INDICES

LME WAREHOUSE STOCK

Metals	Prev.	Net	Total	Metals	L/W*	C/W*	Change
Copper	329300	-625	328675	Copper	233950	94725	-275
Zinc	842500	-1450	841050	Zinc	824950	16100	-125
Nickel	95598	252	95850	Nickel	91794	4056	306
Lead	366225	3775	370000	Lead	323600	46400	-25
Alum	4996275	-3775	4992500	Alum	3982325	1010175	46275

LME WARRANTS

FUNDAMENTAL OUTLOOK

Industrial metals are trading lower on International bourses today. We expect prices to bounce back for the day ahead of key U.S. employment data. However, we expect prices to remain under pressure on account of slow Chinese demand and worries about Greece's drawn-out debt deal.

MARKET ROUNDUP

Industrial metals fell more than 1 percent on Thursday, it's fourth down day in the past five trading sessions, as the market continued to retreat from its January rally amid Greek debt default jitters and signs of sluggish demand from top buyer China.

IN FOCUS

- Production of all main metals fell in Peru in 2011 from the previous year, the mining ministry said on Thursday, as depleted reserves and lower ore grades hit the major global producer.
- Chelyabinsk Zinc Plant reports 4.3 percent production increase for the 12 months of 2011. In 2011, Chelyabinsk produced 160,001 tonnes of salable zinc and zinc based alloys. Some 60.7 percent of metal was supplied to the domestic market.
- China's ban on large ships is limited to Vale's giant iron ore vessels, shipping sources said on Thursday, clearing up confusion in the maritime community as to whether new government regulations could cover other smaller ships.

ENERGY

ENERGY MARKET WATCH

Energy	Contract	Open	High	Low	Close	Change	% Chg
MCX Crude	FEB2	4854	4854	4710	4727	-2	-0.04
NYM Crude	MAR2	97.11	97.99	95.44	96.36	-1.25	-1.28
MCX Natgas	FEB2	123.8	123.8	123.8	123.8	-0.5	-0.40
NYM Natgas	MAR2	2.375	2.587	2.34	2.554	0.172	7.22

INDICES

EXCHANGE VOLUME on previous close

Index	Close	Change	Exchange	Volume (in crores)
Clean Tanker Index	653	8	MCX	59513.07
Dirty Tanker Index	801	-2	NCDEX	5388.06

ENERGY INDICATORS

Date	Time	Energy Data	Country	Prior	Consensus	Actual
01Feb	8.00pm	Crude Stock	U.S.	3.558	2.363	4.175
01Feb	8.00pm	Gasoline Stock	U.S.	-0.390	1.006	3.017
01Feb	8.00pm	Distillate Stock	U.S.	-2.456	-1.388	-0.135
01Feb	8.00pm	Refinery Utilisation	U.S.	-1.5		-0.400
01Feb	8.00pm	Stocks at Cushing Oklahoma	U.S.	0.374		1.476
01Feb	8.00pm	Natural Gas Inventory	U.S.	-192	-127	-132

FUNDAMENTAL OUTLOOK

Crude oil is trading higher on NYMEX today. We expect prices to trade higher for the day supported by positive U.S. unemployment data and hopes for a deal this week between the EU and Greece on the country's debt.

MARKET ROUNDUP

Crude oil fell on Thursday, dropping to a six-week low as Wednesday's data showing rising crude oil and gasoline stockpiles and weak demand continued to generate bearish sentiment.

IN FOCUS

- China's net crude oil imports are expected to rise 5.9 percent this year, the slowest growth rate since 2006, on slowing consumption, local media quoted a report by top oil firm China National Petroleum Corp (CNPC) as saying on Friday.
- Prime Minister Stephen Harper may still be smarting from Canada's failed bid to ramp up oil exports to the United States, but his plan B could prove to be even tougher.
- Libya's Arabian Gulf Oil Company (Agoco) is producing around 300,000 barrels per day (bpd) and hopes to reach full production in April, later than previously thought because of electricity problems at some fields, a spokesman said on Thursday.
- South Sudan's oil minister was riled when he discovered production from one of his remote oil fields was out by 40,000 barrels per day.

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