

## PRECIOUS METALS

## PRECIOUS METALS MARKET WATCH

Precious Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Gold Rs.	FEB2	28030	28094	27845	28059	16	0.06
COMEX Gold \$	APR2	1739.6	1742.8	1718.8	1734.4	0.4	0.02
MCX Silver Rs.	MAR2	57090	57145	56425	56992	-22	-0.04
COMEX Silver \$	MAR2	33.85	34.015	33.035	33.527	-0.232	-0.69

## LONDON FIXING

	A.M. FIXING	P.M. FIXING
Gold	1720.5	1729
Silver Fix AM		33.18

## US \$ INDEX

	Close	% Change
US \$ INDEX	78.839	0.415

## ETF HOLDINGS as on previous close

ETF	in tonnes	Change
SPDR Holding	1250.53	-5.14
iShares Holding	9516.75	-

## FOREX MARKET WATCH

Currency	Open	High	Low	Close	Change	% Chg
USD/INR	49.6000	50.1525	49.6000	50.0950	-0.11	-0.22
USD/JPY	76.74	76.84	76.23	76.3	-0.38	-0.50
EUR/USD	1.321	1.3233	1.3077	1.313	-0.0099	-0.75

## FUNDAMENTAL OUTLOOK

Precious metals are trading higher on COMEX today. We expect prices to trade higher for the day on account of lingering concerns about growth in the United States.

## MARKET ROUNDUP

Precious metals fell on Monday as a sharp drop in the euro and losses in commodities triggered profit-taking after the metal's recent rally, but a positive technical outlook could underpin bullion in the near term.

## IN FOCUS

- Holdings in the SPDR Gold Trust the world's largest gold-backed exchange traded fund rose stood at 1271.09 tonnes by Jan 23, up by 15.42 tonnes 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 Jan 23, up by 89.20 tonnes from the previous business day.
- Russian gold miner Highland Gold missed a reduced output forecast for 2011, producing 184,102 ounces of gold and gold equivalents during the year, citing poor ore quality at a key mine.

## BASE METALS

## BASE METALS MARKET WATCH

Base Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Copper Rs.	FEB2	425.1	425.1	418.3	421.2	-4.45	-1.05
LME Copper \$	3M	8630	8629	8525	8525	-65	-0.76
MCX Zinc Rs.	JAN2	104.9	104.9	102.8	104.35	-0.75	-0.71
LME Zinc \$	3M	2200	2195	2150	2150	-55	-2.49
MCX Nickel Rs.	JAN2	1063.7	1065	1051.6	1055.6	-10.7	-1.00
LME Nickel \$	3M	21680	21725	21600	21700	100	0.46
MCX Lead Rs.	JAN2	110.95	112.1	109.7	111.35	-0.1	-0.09
LME Lead \$	3M	2320	2315	2295	2295	-30	-1.29
MCX Aluminium	JAN2	109.8	111.4	108.8	111.1	0.85	0.77
LME Aluminium	3M	2283	2280	2252	2266	-11	-0.48

## SHANGHAI MARKET WATCH

Metals	Close	Change	% Chg	Index	Close	Change
Aluminium	16085	-95	-0.59	Baltic Dry Index	1882	33
Copper	59650	-750	-1.24	CRB Index	-	-
Zinc	15695	100	0.64	DJ Commodity Index	-	-

## INDICES

## LME WAREHOUSE STOCK

Metals	Prev.	Net	Total	Metals	L/W*	C/W*	Change
Copper	335425	-2300	333125	Copper	237300	95825	5400
Zinc	848350	-1275	847075	Zinc	826375	20700	-1200
Nickel	95016	-240	94776	Nickel	91266	3510	-252
Lead	343050	2050	345100	Lead	298175	46925	-1050
Alum	4996650	-175	4996475	Alum	4026325	970150	1400

## LME WARRANTS

## FUNDAMENTAL OUTLOOK

Industrial metals are trading flat on International bourses today. We expect prices to trade higher for the day on account of optimism as Japanese Industrial production rebounded more than expectation.

## MARKET ROUNDUP

Industrial metals fell 1 percent on Monday, retreating further from a four-month high when strong Chinese buying did not materialize on the first session after a week-long holiday, and investors also worried about a lack of progress in talks to resolve Europe's debt crisis.

## IN FOCUS

- Chile's copper output jumped in December from the same month a year earlier but clocked a 3.2 percent drop in 2011 from a year earlier as falling ore grades, labor woes and weather problems hammered the world's top producer, the government said on Monday.
- Workers of one union at Teck Resources Ltd's mid-sized Quebrada Blanca copper mine in northern Chile are poised to strike after labor contract negotiations with the mining company broke down, a union leader said on Monday.
- Canada's Copper Mountain Mining, which started production in September last year, said it expects to produce 85-90 million pounds of copper this year at its flagship mine in southern British Columbia.
- The U.S. physical copper market remained at a near standstill in the first few weeks of the year, with little to no spot business reported as consumers rely on annual contracted material to fill their weaker demand needs, sources told Reuters.
- Japan's exports of refined zinc surged 44 percent from a year earlier to 12,273 tonnes in December as exports to China more than doubled, customs-cleared data showed on Monday.
- Russia's UC RUSAL, the world's largest aluminium producer, said it could cut output by 6 percent in the next 18 months, confirming comments by its chief executive reported in the media on Friday.

## ENERGY

## ENERGY MARKET WATCH

Energy	Contract	Open	High	Low	Close	Change	% Chg
MCX Crude	FEB2	4940	4940	4940	4940	-5	-0.10
NYM Crude	MAR2	100	100.05	98.43	98.78	-0.78	-0.78
MCX Natgas	FEB2	138.3	141.6	136.1	138.2	1.2	0.88
NYM Natgas	MAR2	2.81	2.844	2.64	2.713	-0.043	-1.56

## INDICES

## EXCHANGE VOLUME on previous close

Index	Close	Change	Exchange	Volume (in crores)
Clean Tanker Index	741	5	MCX	52782.34
Dirty Tanker Index	817	41	NCDEX	5306.15

## ENERGY INDICATORS

Date	Time	Energy Data	Country	Prior	Consensus	Actual
01Feb	8.00pm	Crude Stock	U.S.	3.558	1.525	
01Feb	8.00pm	Gasoline Stock	U.S.	-0.390	1.063	
01Feb	8.00pm	Distillate Stock	U.S.	-2.456	-1.150	
01Feb	8.00pm	Refinery Utilisation	U.S.	-1.5		
01Feb	8.00pm	Stocks at Cushing Oklahoma	U.S.	0.374		
01Feb	8.00pm	Natural Gas Inventory	U.S.	-192		

## FUNDAMENTAL OUTLOOK

Crude oil is trading higher on NYMEX today. We expect prices to trade higher for the day on account of concerns over supply disruptions in South Sudan and OPEC member Iran.

## MARKET ROUNDUP

Crude oil ended lower for a second straight session on Monday as stalled Greek debt restructuring talks pulled the dollar up against the euro, which prompted investors to pare holdings in risky assets such as oil.

## IN FOCUS

- The EU's embargo on Iranian oil exports will add upward pressure to oil prices, OPEC's secretary general said on Monday, even though there is no shortage of oil on the market.
- Sudan has released four tankers loaded with South Sudanese oil try to defuse a row over export transit fees, but southern officials said the move was not enough to reverse their decision to shut off crude supplies.
- European Union sanctions have paralysed food import deals to Iran leaving about 400,000 tonnes of grain held up on at least 10 ships outside Iranian ports for as long as three weeks, trade sources say.
- Saudi Arabia can meet any future world oil shortages thanks to massive investment, and its rising gas output will mean crude exports will not be affected by booming domestic energy demand, Oil Minister Ali al-Naimi said on Monday.
- Union and oil company negotiators resumed talks on Monday after union leaders told workers to prepare for a strike within 48 hours that could shut down 6 percent of U.S. refinery capacity and cause gasoline prices to rise at a time when the country is struggling to sustain a fragile economic recovery.

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