

## PRECIOUS METALS

## PRECIOUS METALS MARKET WATCH

Precious Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Gold Rs.	APR10	17006	17055	16873	16956	-72	-0.42
COMEX Gold \$	MAY10	1134.3	1145.8	1133.9	1143.9	5.9	0.52
MCX Silver Rs.	MAR10	26695	26937	26560	26734	-196	-0.73
COMEX Silver \$	APR10	16.9	17.35	16.9	17.319	0.265	1.55

## LONDON FIXING

	A.M. FIXING	P.M. FIXING
Gold	1136.25	1134.5
Silver Fix AM		17.34

## US \$ INDEX

	Close	% Change
US \$ INDEX	80.55	0.573

## ETF HOLDINGS as on previous close

ETF	in tonnes	Change
SPDR Holding	1115.51	0.0
iShares Holding	9412.43	-61.02

## FOREX MARKET WATCH

Currency	Month	Open	High	Low	Close	Change	% Chg
USD/INR		45.78	45.85	45.765	45.82	-0.01	-0.02
USD/JPY=		88.44	89.29	88.15	89.13	0.69	0.78
EUR/USD		1.3704	1.3715	1.3552	1.3582	-0.0119	-0.87

## FUNDAMENTAL OUTLOOK

Precious metals prices are little changed on COMEX today as is set to trade in a tight range ahead U.S. payrolls data, which could determine the direction of the dollar against the euro.

## MARKET ROUNDUP

Precious metals prices fell on Thursday, snapping a five-session winning streak, as investors unwound positions added earlier this week due to a euro rally and currency volatility amid a Greek debt crisis.

## IN FOCUS

- The world's largest gold-backed exchange-traded fund, SPDR Gold Trust, said its holdings stood at 1,115.511 tonnes as of March 4, unchanged from the previous business day.
- The world's largest silver-backed exchange-traded fund, the iShares Silver Trust, said its holdings fell 61.02 tonnes from the previous business day to 9,412.43 tonnes as of March 4.
- Speaking at a press conference after the ECB opted to leave rates at a record low 1.0 percent, the bank's president Jean-Claude Trichet was seen to reiterate that no hike in euro zone rates is imminent.
- Record demand drove the U.S. Mint's silver coin sales 40.2 percent higher in the first two months of the year to 5.643 million ounces from 4.025 million ounces, the mint's website showed. Silver sales in January hit 3.59 million ounces, a record in the history of the Mint's bullion program, surpassing the 3.13 million ounces in March of 2009, a U.S. Mint spokesman said.
- Russia's gold and foreign exchange reserves rose to \$434.1 billion on Feb. 26 from \$432.4 billion a week earlier, central bank data showed on Thursday. Russia holds the world's third-largest reserves.
- Russia mined 59 percent less gold in January than in December and total output of the precious metal, including gold produced as a by-product and refined from scrap, fell 57 percent, the industry lobby said.

## BASE METALS

## BASE METALS MARKET WATCH

Base Metals	Contract	Open	High	Low	Close	Change	% Chg
MCX Copper Rs.	APR10	345.1	347	339	340.8	-4.9	-1.42
LME Copper \$	3M	7480	7555	7370	7410	-170	-2.24
MCX Zinc Rs.	MAR10	104	106.1	102.7	103.15	-1.1	-1.06
LME Zinc \$	3M	2275	2326	2240	2250	-70	-3.02
MCX Nickel Rs.	MAR10	1030.8	1052.7	1010.3	1024	-9.1	-0.88
LME Nickel \$	3M	22650	23040	22040	22350	-495	-2.17
MCX Lead Rs.	MAR10	101.2	102.8	99.4	100.15	-1.15	-1.14
LME Lead \$	3M	2205	2241	2170	2170	-68.5	-3.06
MCX Aluminium	MAR10	99.95	102.2	99.4	101.15	1.35	1.35
LME Aluminium	3M	2200	2245	2190	2209.5	-0.5	-0.02

## SHANGHAI MARKET WATCH

Metals	Close	Change	% Chg	Index	Close	Change
Aluminium	16355	35	0.21	Baltic Dry Index	3121	210
Copper	58900	-110	-0.19	CRB Index	274.8	-2.91
Zinc	17680	30	0.17	DJ Commodity Index	-	-

## INDICES

## LME WAREHOUSE STOCK

Metals	Prev.	Net	Total	Metals	L/W*	C/W*	Change
Copper	550575	-6350	544225	Copper	513200	31025	-4950
Zinc	541175	-125	541050	Zinc	536700	4350	850
Nickel	162096	-498	161598	Nickel	157956	3642	-450
Lead	167975	700	168675	Lead	155175	13500	0
Alum	4557950	-5975	4551975	Alum	4252900	299075	2200

## LME WARRANTS

## FUNDAMENTAL OUTLOOK

Industrial metals prices are trading in a tight range today on International bourses. We expect industrial metals prices to trade in a thin range awaiting the Non-farm payrolls data to be released by the US later in the day.

## MARKET ROUNDUP

Industrial metals prices edged lower on Thursday, set on a downward path when the euro lost ground to the dollar, and also hurt by mixed U.S. economic readings and by short-term fund selling of metals. Aluminium was the only metal to be immune from the losses in this complex.

## IN FOCUS

- China's top copper producer Jiangxi Copper plans to increase refined copper output by 12.5 percent this year, chairman Li Yihuang told reporters on Friday. Output of 900,000 tonnes of refined copper is forecast for 2010 compared to about 800,000 tonnes in 2009, Li said.
- Russia's Urals Mining and Metals Co (UMMC) expects this year's refined copper output to reach 356,918 tonnes, up 8 percent from 2009, it said in a company newsletter seen by Reuters on Thursday. The company said in the newsletter that 2009 refined copper output totalled 330,129 tonnes.
- A Chinese media report that global miners are offering Chinese steel mills a 50 percent rise in iron ore prices was dismissed as posturing by analysts, who predicted a rise of 65 to 70 percent instead.
- The China Daily said China's crude steel output was expected to rise 8.6 percent to 621.5 million tonnes in 2010, a slower rate of annual growth than last year's 13.5 percent, without citing a source for the forecast. That would imply a rise in annual production of 54 million tonnes, compared to 68 million tonnes last year.
- Daily average primary aluminium output in China fell to 41,700 tonnes in January from 42,900 tonnes in December, provisional data from the International Aluminium Institute (IAI) showed on Thursday. The institute also said primary aluminium production in China fell to 1.292 million tonnes in January from 1.331 million tonnes in December.
- China Investment Corp, the country's \$300 billion sovereign wealth fund, said on Thursday the investment environment would be more challenging in 2010 than last year due to economic uncertainty and high commodity prices.

## ENERGY

## ENERGY MARKET WATCH

Energy	Contract	Open	High	Low	Close	Change	% Chg
MCX Crude	MAR0	3688	3717	3660	3688	1	0.03
NYM Crude	APR0	81.01	81.09	79.7	80.21	-0.66	-0.82
MCX Natgas	MAR0	219.4	222.4	210.2	211.3	-7.7	-3.52
NYM Natgas	APR0	4.761	4.787	4.556	4.589	-0.168	-3.53

## INDICES

## EXCHANGE VOLUME on previous close

Index	Close	Change	Exchange	Volume (in crores)
Clean Tanker Index	772	8	MCX	31141.86
Dirty Tanker Index	880	0	NCDEX	4218.10

## ENERGY INDICATORS

Date	Time	Energy Data	Country	Prior	Consensus	Actual
03Mar	8.00pm	Crude Stock	U.S.	3.000	1.400	4.100
03Mar	8.00pm	Gasoline Stock	U.S.	-0.900	0.600	0.700
03Mar	8.00pm	Distillate Stock	U.S.	-0.600	-0.900	-0.900
03Mar	8.00pm	Refinery Utilisation	U.S.	1.4	-	0.7
03Mar	8.00pm	Stocks at Cushing Oklahoma	U.S.	-0.700	-	0.100
03Mar	8.00pm	Natural Gas Inventory	U.S.	-172	-131	-116

## FUNDAMENTAL OUTLOOK

U.S. crude futures are trading a tad higher on NYMEX today. We expect crude oil prices to trade firm taking cues from strong opening in Asian stocks markets.

## MARKET ROUNDUP

Crude Oil futures ended lower on Thursday, easing from a seven-week high hit Wednesday, as the dollar rebounded and downbeat home sales data overshadowed positive economic reports of the day.

## IN FOCUS

- OPEC-member Kuwait has notified at least two customers in Asia that it will keep curbs on term crude oil supplies in April-June steady from January-March, sources at the term buyers said on Friday. Kuwait Petroleum Co (KPC) told the term buyers that they would continue to receive 5 percent below contracted volumes in the second quarter of 2010, the sources said.
- Oil stored at the Cushing, Oklahoma, NYMEX delivery hub rose by 911,583 barrels to 31.74 million barrels in the week to March 2, according to a report from energy industry data provider Genscape.
- Oil product floating storage volumes have fallen to 71.27 million barrels from 80.22 early last month and could fall more in the next few weeks, ship broker ICAP said.
- China's export-oriented refiner WEPEC will raise crude oil processing in March by about 14 percent from February after finishing maintenance of its 60,000 barrel per day (bpd) catalytic cracker, an industry source said on Thursday. Crude throughput would increase to 169,500 barrels per day (bpd) this month from some 148,600 bpd in February.
- OPEC, the source of more than a third of the world's oil, next meets to set policy on March 17 and the widening gap between its supply target and actual output is likely to be a main topic of debate.

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