

## Daily Commodity Report

18 th May 2012

**Hedge**  
Equities  
invest with an edge



## PRECIOUS METALS

GOLD	Rs. 28526	+1.98%
SILVER	RS. 53134	+2.96%

## BASE METALS

ALUMINIUM	Rs.109.85	+0.64%
COPPER	RS.419.8	+0.21%
LEAD	RS.105.55	-0.95%
NICKEL	RS.932	+0.97%
ZINC	RS.103.40	+0.15%

## ENERGY

CRUDE OIL	Rs. 5079	-0.30%
NATURAL GAS	Rs. 138.30	-2.68%

## AGRI COMMODITIES

PEPPER	Rs. 38030	-0.18%
RUBBER	RS. 19358	+0.23%

## EXCHANGE RATE

USD/INR	Rs. 54.60
---------	-----------

## GLOBAL HAPPENINGS

- ⇒ The number of Americans seeking unemployment benefits was unchanged last week, suggesting modest but steady gains in the job market. weekly unemployment aid applications stayed at a seasonally adjusted 370,000, the same level as the previous week. The four-week average, a less volatile measure, fell from roughly 380,000 to 375,000.
- ⇒ Moody's Investor Service carried out a sweeping downgrade of 16 Spanish banks on Thursday, including Banco Santander, the euro zone's largest bank, citing a weak economy and the government's reduced ability to support troubled lenders.
- ⇒ Fitch ratings agency has downgraded debt-crippled Greece deeper into junk territory, warning of a "probable" Greek exit from the euro currency union if new national elections next month produce an anti-bailout government.

## Economic calendar

## TODAY'S ECONOMIC CALENDAR—17/05/2012

Country	Economic event	Actual	Forecast	Previous
Japan	Prelim GDP q/q	1.0%	0.9%	-0.2%
USA	Unemployment claims	370K	370K	367K
USA	Philly Fed manufacturing Index	-5.8	10.6	8.5
USA	Natural Gas storage	61B		30B

**Prelim GDP q/q**—Change in the inflation-adjusted value of all goods and services produced by the economy

**Unemployment claims**—The number of individuals who filed for unemployment insurance for the first time during the past week

**Philly fed manufacturing Index**—Level of a diffusion index based on surveyed manufacturers in Philadelphia

**Natural gas storage**—Change in the number of cubic feet of natural gas held in underground storage during the past week

# Daily Commodity Report

18 th May 2012

**Hedge**  
Equities  
invest with an edge



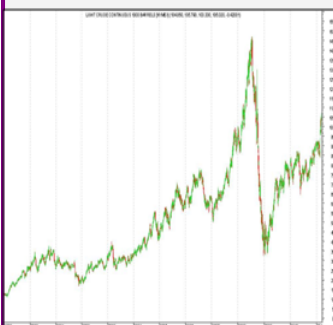
## GOLD

Gold ticked up on Friday, after posting its largest one-day gain in more than three months in the previous session, on hopes of monetary easing after US factory activity fell. However gold prices were on track for third straight week on mounting worries over the euro zone debt crisis. The stronger US dollar index also checked the gains on Gold prices. Gold SPDR's the world's largest gold backed ETF remained unchanged on 1278 tons on Thursday. **Outlook:** Gold is expected to trade with positive bias and take cues from Euro zone developments.



## SILVER

Silver was steady yesterday despite weakness seen in Euro zone and downgrades by rating agency on Greece and Spanish banks. However the hopes of quantitative easing in US supported the silver prices, after the factories data declined than analyst expected. The stronger US dollar index kept a check on silver prices. Ishares silver trust, the world's largest silver backed ETF increased from 9516 tons to 9619 tons on Thursday. **Outlook :** Silver prices are expected to trade with slight positive bias and later take cues from Euro zone developments.



## CRUDE OIL

Brent crude oil fell on Thursday, touching the lowest level since December, as investors avoided bets on riskier assets with the turmoil in Greece deepening and fears rising of contagion spreading to other stressed euro zone economies. The weak economic data from US also pressurized the crude oil prices. The weak global cues is pressuring the crude oil prices and declining demand outlook. **Outlook:** Crude is expected to trade with slight negative bias and take cues from Euro zone developments & US dollar index.



## COPPER

London copper peeked above four-month lows on Friday on bargain-hunting and signs that Greeks are warming up to pro-austerity parties, allaying some fears their country could leave the euro zone. borrowing costs of Spain, another potential source of debt-contagion in the region, spiked at a bond auction on Thursday. Downgrades by rating agency on Spanish banks and on Greece added pressure along with weak US economic data. Outlook: Copper prices are expected to trade with negative bias on account of weak global cues.



## RUBBER

**Today's Strategy:** Go long above 19418 for a target of 19498 - 19879 with a Stop Loss at 19338. Go short below 19318 for a target of 19238 – 19148 with a Stop Loss at 19378. (All strategies based on June 2012 Series).

# Daily Commodity Report

18 th May 2012

**Hedge**  
Equities  
invest with an edge



## THOMREUTERS/JEFFERIES CRB INDEX

Six months chart of CRB Index



As on 17/05/2012 :

Value	289.55
Change	+0.20 (+0.07%)
Open	289.53
High	290.17
Low	288.80

## BALTIC DRY INDEX

One Year chart



As on 17/05/2012 :

Value	1137
Change	+7.00(+0.62%)
Open	1137
High	1137
Low	1137

### Note:

- ⇒ CRB Index is a global commodity tracking tool which tracks 19 commodities representing all commodity sectors.
- ⇒ Baltic dry index tracks worldwide international shipping prices of various dry bulk cargoes, taking into consideration the major 26 shipping routes.

## Daily commodity report

16 th May 2012

**Hedge**  
Equities  
invest with an edge

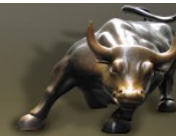


	Mode	T3	T2	T1	Buy above	Close	Sell below	T1	T2	T3
CRUDEOIL	Sell	5165.85	5141.93	5118.65	5088.44	5079.00	5069.56	5039.35	5016.07	4992.15
GOLD	Buy	29120.29	28956.92	28797.85	28591.49	28527.00	28462.51	28256.15	28097.08	27933.71
SILVER	Buy	54807.51	54346.69	53897.99	53315.90	53134.00	52952.10	52370.01	51921.31	51460.49
COPPER	Sell	426.44	424.61	422.83	420.52	419.80	419.08	416.77	414.99	413.16
LEAD	Sell	108.38	107.60	106.84	105.86	105.55	105.24	104.26	103.50	102.72
ZINC	Sell	105.11	104.64	104.18	103.59	103.40	103.21	102.62	102.16	101.69
NICKEL	Buy	944.89	941.48	938.16	933.85	932.50	931.15	926.84	923.52	920.11
N G	Sell	147.38	144.88	142.44	139.29	138.30	137.31	134.16	131.72	129.22
ALUMINIUM	Buy	110.97	110.66	110.36	109.97	109.85	109.73	109.34	109.04	108.73

Hedge Research &amp; Strategies Group

18 th May 2012

**Hedge**  
Equities  
invest with an edge



**Hedge**  
Equities  
invest with an edge



### *The Hedge Advantage: Invest with an Edge*

- Strong presence in India with a network of 150 service outlets
- State-of-the-art offices with VSAT connectivity
- Powered by over 450 qualified employees with 200 support executives
- Dedicated Portfolio Managers & Dealers
- Trust and goodwill of over 20,000 satisfied customers
- Best of breed research & data mining
- Rated as top brand by the investor community of Asianet Channel

### *Access all our reports:*

- [Morning Report](#)
- [Weekly Report](#)
- [Monthly Report](#)
- [Hedge Trading Portfolio](#)
- [Company Analysis Reports](#)
- [Special Reports](#)
- [Daily Economic Reports](#)
- [Daily Commodities Report](#)
- [Daily Currency Report](#)
- [Options Strategy Report](#)

### ***Hedge Research and Strategies Group:***

Head of Research: Krishnan Thampi K

Sr. Fundamental Analyst: Amar Chandramohan

Sr. Technical Analyst: Renjith K

Sr. Technical Analyst: Kesavamoorthy B

Economic and Commodity Analyst: Vignesh SBK

Derivative Analyst: Yunus Ismail

Access all our research reports online at [www.HedgeEquities.com](http://www.HedgeEquities.com)

### ***DIRECT ALL RESEARCH QUERIES TO:***

Research & Strategies Group

Hedge Equities Ltd

Hedge House

Mamangalam, Kochi– 682017, Kerala, India

Phone: (0484) 3040400

Email: [research@HedgeEquities.com](mailto:research@HedgeEquities.com)

### **Disclaimer**

*The information contained in our report does not constitute an offer to sell securities or the solicitation of an offer to buy, any security. This report is prepared for private circulation only. The information in our report is not intended as financial advice. Hedge Equities Ltd do not undertake the responsibility for any investment decision taken by the readers based on this report. Moreover, none of the research report is intended as a prospectus within the meaning of the applicable laws of any jurisdiction. The information and opinions contained in research reports have been compiled or arrived at from sources believed to be reliable in good faith, but no representation or warranty, express or implied, is made by Hedge Equities Ltd to their accuracy. Moreover, you should be aware of the fact that investments in securities or other financial instruments involve risks. Past results do not guarantee future performance.*