

Crude oil inventory to watch out ahead of Thanksgiving holiday ...

PRECIOUS METALS

Precious metal complex at Comex ended marginally higher supported by the positive sentiments in energy complex, lower dollar and players positioning ahead of the long holiday weekend. Comex Vol & OI is both the precious metal seen declining suggesting that players like to remain on the sidelines. On the domestic market the INR appreciated by 11 paise and capped the gains on the domestic bourses. Short covering seen in the domestic Yellow metal futures, while the Silver found some speculative buying interests.

Asian Trading: Precious metals worked out to trade higher across the Asian market.

European Trading: European market traded largely in range with some selling interest seen around London AM Fix.

QUOTES & DERIVATIVES					PERCENTAGE CHANGE		
COMMODITY	OPEN	HIGH	LOW	CLOSE	PRICE	VOLUME	OI
GOLD COMEX	625.5	629.0	624.8	628.7	+1.06		
SILVER COMEX	12.93	13.10	12.93	13.08	+2.67		
GOLD MCX	9095	9148	9093	9126	+0.44	-6.74	-1.52
SILVER MCX	19129	19376	19129	19315	+1.00	+7.87	+2.08

As expected the Euro remained in favour of the currency market despite a shortened weekend. This continues to help the precious metal complex for the rest of the day. On the other hand the white metal continue to remain positive on strong technical picture. Over all yesterday trades reminds us that precious metals are trading with the recent trading range hanging on to the upper side of the range.

Holiday mood in the market & crude inventory in the evening session shall keep the metal volatile in the early hours of the Comex opening. If the crude inventory comes out well with in expectations then the recent gains will be held on the backdrop of ECB meet next week. If the crude inventory surprises by showing built up in product inventory then it will open the door for profit taking. So overall the theme remains the same consolidation & range bound for the day and week.

BASE METALS

Base metal complex across the LME moved higher to close positive for the day. After the copper worked higher to move above 200 day EMA of 6850 rest of the complex showed up tick. Short covering. Technical buying and positions squaring ahead of the US holiday remained the major feature of the market. Zinc continued to gain strongly on the back of sustained draw down in the inventory, while copper ignored the latest ICSG report to move higher. Comex opening saw prices higher and the sentiments remained positive thereafter as the futures closed higher for the day. On the domestic markets continuous short covering in the near months coupled with positive international trend pushed the prices higher for the day.

QUOTES & DERIVATIVES					PERCENTAGE CHANGE		
EXCHANGE	OPEN	HIGH	LOW	CLOSE	PRICE	VOLUME	OI
COPPERLME 3 M	6790	6985	6760	6940	+2.28		
ZINC LME 3 M	4135	4300	4120	4300	+3.74		
ALI LME 3 M	2650	2699	2637	2677	+1.23		
COMEX COPPER	307.4	312.7	307.1	311.5	+2.43		
MCX COPPER	304.0	310.8	302.5	309.5	+1.96	-7.33	-11.34
MCX ZINC	188.6	195.3	187.6	194.5	+3.62	-10.02	-8.20
MCX ALI	119.0	121.3	118.4	120.2	+1.22	+59.6	+1.51

ICSG in the latest reported showed that copper output in the first eight months of the year stood at 11.433 million tonnes, while the consumption stood around 11.349 million tonnes leaving the market into surplus of 0.084 million tonnes. Despite short term technical glitches, ease in spreads, rise in stocks of Copper and Ali, lesser pace of cancelled warrants and slower economic growth going ahead makes our view to remain largely biased towards lower prices in the days ahead.

* All quotes are for the active month of respective exchanges.

ENERGY

Crude oil futures firmed higher on the back of news of loading problems at Alaska's terminal & North Sea platform. Operation at Alaska were at 25 percent of the capacity due to high winds across the sea left the operation at lower levels & gas leakages haunting North Sea capacities. Expected draw down in product inventories in the EIA report today also supported the sentiment for the day. Forecast of above normal temperature supported the Jan natural gas close in the positive zone for the day.

QUOTES & DERIVATIVES					PERCENTAGE CHANGE		
COMMODITY	OPEN	HIGH	LOW	CLOSE	PRICE	VOLUME	OI
CRUDE OIL	58.96	60.40	58.61	60.05	+1.83		
NAT GAS	7.975	8.186	7.909	7.973	+2.81		
CRUDE OIL	2658	2698	2658	2692	+1.55	+13.22	-8.04
NAT GAS	381.3	384.7	373.0	378.6	+5.70	-0.13	+4.82

EIA expected to show crude inventories inching up by +0.6 MLNB, distillates lower by -1.2 MLNB, Gasoline also lower by -0.9 MLNB along with refineries operating at increased capacity of +0.8pt. We believe the draw down in product inventories may not come inline with the market expectations, as we are also expected refineries to operate on the higher side. The level of draw down expected by the market can come in only via pent up demand and lower refinery, which we are not anticipating.

REVIEW OF ECONOMIC DATA & FOREX

The Euro reversed yesterday's losses after the release of the Fed minutes. On the economic news French GDP was flat in the third quarter, which brought the annualized pace of growth down from 2.6 percent to 1.8 percent. Italian data was also disappointing with industrial orders falling more than expected and the trade deficit climbing in the month of September. The Japanese Yen moved higher as BoJ Muto said that the timing of the next rate hike is "completely open". The INR continue to show volatility and the currency appreciated by 11 paise for the day.

Though the Euro supported by the December rate hike economic data coming from Euro zone show weakness, which makes us to think that a pause in the monetary policy ahead.

Trading should remain range bound as US trader's leave early for the Thanksgiving Holiday and EURO/USD expected to remain in the range of 1.284-1.287.

ECONOMIC DATA THIS WEEK

- No major economic data from US
- US markets are closed on 23rd & 24th for Thanksgiving day
- German IFO business sentiment on Thursday & France GDP estimate on Friday

CURRENCIES (at 11:15 AM)	
EURO	1.286
YEN	117.5
GBP	1.902
RUPEE	44.73

ACCESS MARKETS (11:30 AM)	
GOLD	627.5
SILVER	13.03
COPPER	311.5
COPPER LME (3 M)	6955
CRUDE	59.92

TRADE ADVICE FOR THE DAY



GOLD
CRUDE OIL

DEC **SELL AROUND 9160**
DEC **SELL BELOW 2675**

TGT 9070
TGT 2656/50

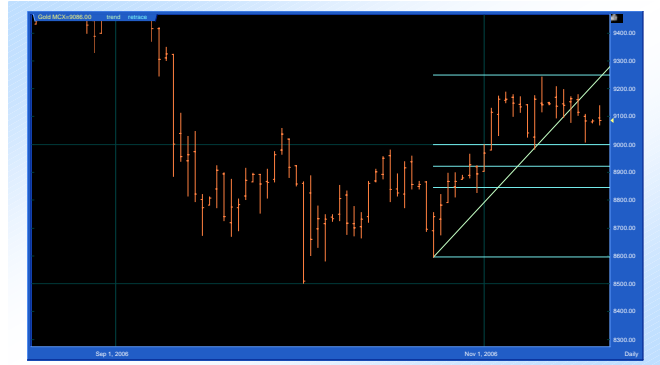
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MAGIC LEVELS COMEX & MCX

	S1	S2	R1	R2
GOLD COMEX	626	623	630	631
SILVER COMEX	13.0	12.9	13.1	13.2
CRUDE NYMEX	59.0	57.9	60.8	61.5
COPPER COMEX	308	304	313	316
COPPER LME	6805	6670	7030	7120
GOLD MCX	9096	9067	9151	9177
SILVER MCX	19170	19026	19417	19520
CRUDE MCX	2667	2642	2707	2722
COPPER MCX	304.4	299.3	312	315

GOLD

MCX Gold Dec futures closed at 9126. RSI (11) is at 58.02 moved higher in tandem to higher prices. Derivatives are suggesting short covering lifted the prices from lower levels. Daily MACD continue to remain above the level line with bearish crossover. Daily stochastic are giving buy indications. Prices traded above ST EMA & continue to take good support of MT EMA of 9065. Prices should get support at 9070-9035 levels & resistance at 9140-9185 levels. Prices are expected to open firm & trade in 9050-9140 range with range bound to outlook.



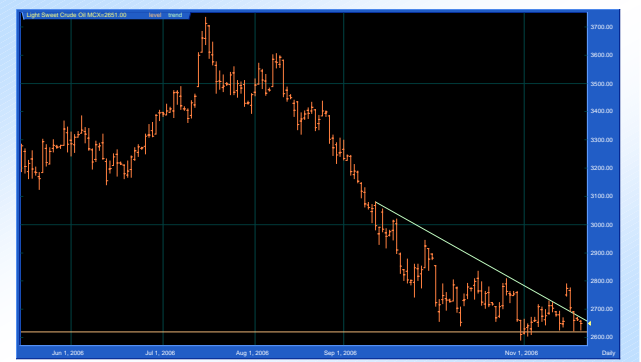
SILVER

MCX Silver Dec futures closed at 19315. RSI (11) is at 65.16 moved higher in tandem to higher prices. Derivatives are suggesting speculative buying increased in the market. Daily MACD continue to stay above the level line with bearish crossover. Daily stochastic are giving mixed to buy indications. Prices traded above ST EMA and seen taking good support around 21 day EMA of 19050. Prices should get support at 19200-19050 and resistance at 19450-600 levels. Prices are expected to open firm & trade in 19200-450 range with range bound to firm outlook.



CRUDE OIL

MCX Crude Dec futures closed at 2692. RSI (11) is at 50.12 moved higher in tandem to higher prices. Derivatives are suggesting the short covering lifted the prices. Daily MACD continue to stay below the level line but with bullish crossover. Daily stochastics are giving buy indications. Once again prices moved above the ST EMA prices but below MT EMA call for range bound activity to remain. Prices should get support at 2675-2650 and face resistance at 2700-2724 levels. Prices are expected to open firm & trade in 2675-2715 range with range bound outlook.



COPPER

MCX Copper Nov futures closed at 309.55. RSI (11) is at 36.83 moved higher in tandem to higher prices to move above the OS region. Derivatives are suggesting decent short covering lifted the prices higher. Daily MACD stay below the level line with bearish cross over. Daily stochastic are giving mixed to buy signal. Prices moved above the ST EMA in one session but continue to remain below MT EMA call for range bound activity to continue. Prices in the short term get support at 307-305 & resistance at 313-315 levels. Prices are expected to open lower and trade in 307-312 range with range bound outlook.

