MONTHLY BULLETIN (RESEARCH) Date 17th Feb 2025

GOLD

Market Outlook and Fundamental Analysis:

Bullion Index register 2nd consecutive monthly gain in Feb with index rally almost 1.5% with all time exchange high tested during month thanks to Gold which also register multiple all time high on continue safe haven buying after US president announce to impose tariff on as many countries added by rate cut expectations from US FED sooner than expected earlier and ongoing geopolitical tension makes bullion and especially gold safe landing in uncertain environment. Other side continues central bank buying and positive ETF flow into Bullion in 2024, first time after few years also support bullion through out first 2-months of CY 25. However, expected rally in dollar index as well US Bond yield pressure bullion at higher level added by peace talk in geopolitical tension cap bullion prices at higher level. Bullion generally remains positive during geopolitical as well financial crisis and gold is known as a safe investment during economic and geo-political crisis, but a high-interest rate environment makes the non-yielding asset less attractive to investors in last year and still this will play a vital role to decide prices in months to come. Other side Silver also get boost from Gold as well rally in base metals after top metal consumer China announce list of Stimulus to revive economy support prices at every dip. For the month of Dec bullion index gain more than 1.5% while Gold future gain almost 2.5% and Silver gain inch above 1%.

Global gold demand including over-the-counter (OTC) trading rose by 1% to a record high of 4,974.5 metric tons in 2024 as investment increased, the World Gold Council (WGC) said, adding that central banks sped up buying in the fourth quarter. Spot gold prices rose by 27% last year, the most since 2010, as investors chose the metal to hedge against global risks and as the U.S. Federal Reserve slashed interest rates. In the final quarter of 2024, when Trump won the U.S. election, buying by central banks accelerated by 54% year on year to 333 tons, the WGC calculated, based on reported purchases and an estimate of unreported buying. Last year's investment demand for gold rose 25% to a four-year high of 1,180 tons, mainly because outflows from physically-backed gold exchange-traded funds (ETFs) dried up for the first time in four years. Indicating a major shift in appetite for different products, investment demand for bars rose 10%, while coin buying fell 31%.

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US Nonfarm payrolls, a gaunge to interest rates decision shows, U.S. job growth picked up in February, but cracks are emerging in the once-resilient labor market amid rising uncertainty over trade policy and deep federal government spending cuts that could undercut economic growth this year. Nonfarm payrolls increased by 151,000 jobs last month after rising by a downwardly revised 125,000 in January and against Reuters had forecast payrolls advancing by 160,000 jobs after a previously reported 143,000 gain in January. December's payrolls tally was revised higher by 16,000 to 323,000. Average hourly earnings rose 0.3% after climbing 0.4% in January. Annual wage growth increased at a 4.1% pace after advancing 3.9% in January, consistent with an economy that continues to expand, though at a very moderate pace. The unemployment rising to 4.1% last month from 4% and an increase in the ranks of part-time workers.

U.S. private payrolls increased at the slowest pace in seven months in February, blamed on policy uncertainty, likely related to tariffs on imported goods, and slowing consumer spending. Private payrolls increased by only 77,000 jobs last month, the smallest rise since July 2024, after an upwardly revised 186,000 gain in January and against Reuters had forecast private employment rising 140,000 following a previously reported 183,000 advance in January. Wages for workers changing jobs advanced 6.7% year-on-year in February after climbing 6.8% in January. They were unchanged at 4.7% for employees remaining in their jobs.

U.S. PPI were unchanged in February for the first time in 7-months, while fewer Americans filed claims for unemployment benefits last week, pointing to a stable economy that should allow the Federal Reserve to keep interest rates steady next week.

U.S. consumer prices increased moderately in February as higher shelter costs were partially offset by cheaper airline fares. The CPI rose 0.2% last month, the smallest gain since October, after accelerating 0.5% in January. In the 12 months through February, the CPI increased 2.8% after climbing 3.0% in January and against Reuters had forecast the CPI would gain 0.3% and advance 2.9% on a year-on-year basis. The CPI increased at a 4.3% annualized rate in the three months to February.

U.S. Treasury Secretary Scott Bessent said that the U.S. economy may slow as it transitions away from public spending towards more private spending, calling it a "detox period" needed to reach a more sustainable equilibrium. Bessent said the transition to a private-sector-driven economy may not have to bring a lot of economic pain, because the Trump administration's deregulation will be aimed at unleashing private-sector growth.

The Bank of Canada trimmed its key policy rate by 25 basis points on 12-March to 2.75% and warned of "a new crisis" as it tried to prepare the country's economy for the damage that U.S. President tariffs could wreak. The bank also said it would "proceed carefully with any further changes" to rates given the need to assess both the upward pressures on inflation from higher costs and the downward pressures from weaker demand. The cut marked the seventh consecutive time the central bank has eased monetary policy, shrinking the key rate by a total of 225 basis points in a space of nine months and making it one of the most aggressive central banks globally. Inflation is expected to be around 2.5% in March, up from 1.9% in January, as a short-term sales-tax break ends.

The ECB cut interest rates for the 6th time in 9-months on 6-Mar, sticking to its easing plan in the face of economic upheaval from an unfolding trade war and new plans to boost Europe's military spending. With inflation closing in on its 2% target, the central bank for the euro zone lowered the rate it pays on bank deposits by 25 basis points to 2.5% a level it saw as "meaningfully less restrictive". This cut was likely the last easy decision for ECB policymakers, with any move from next month onwards set to be subject to a more heated debate as inflation worries linger. With this cut, the ECB also lowered by 25 basis points the rates at which banks can borrow at its weekly and daily auctions, to 2.65% and 2.90% respectively.

Thailand's central bank cut its benchmark interest rate by a quarter percentage point on 26-Feb, a move it said was a response to a weaker growth outlook and increased risks posed by global trade policy uncertainty. The Bank of Thailand's monetary policy committee voted 6-1 to reduce the one-day repurchase rate by 25 basis points to 2.00% at its first meeting of 2025. That followed a rate hold in December and a surprise quarter-point cut in October.

The Bank of Korea cut interest rates by 25 basis points and significantly lowered its GDP forecasts, steering Asia's fourth-largest economy from a restrictive monetary policy stance towards a neutral one to support growth. The BOK's 7-member board unanimously voted to reduce its benchmark interest rate to 2.75% at its monetary policy review. The reduction is the third since the BOK started cutting borrowing costs from a 15-year high in October, positioning Korean rates around 150 basis points below the U.S. Federal Reserve's target range of 4.25-4.50%. The central bank also lowered its growth forecasts for this year to 1.5% from 1.9%, below the range of 1.6% and 1.7% flagged last month, while keeping its inflation forecast steady at 1.9% for both this year and next.

New Zealand's central bank cut its benchmark rate by 50 basis points to 3.75% on 19-Feb and flagged further reductions in borrowing costs amid moderating inflation as policymakers sought to revive a struggling economy. The Reserve Bank of New Zealand Governor said the board is forecasting a lower terminal rate than in its November projections, and expects two more 25-basis point rate cuts in April and May subject to economic conditions evolving as expected. Governor, speaking at a press conference, said: "We are looking at lowering the official cash rate a little bit quicker than what we projected back in November...We have our projection of the OCR being around 3% by year end." The RBNZ's new projection has rates at 3.45% by June, and at 3.10% in the fourth-quarter, down from the November estimate of 3.2%, helped by inflation moving to the middle of the bank's 1%-3% target.

Australia's central bank cut rates for the first time in more than four years but warned it was too early to declare victory over inflation and was cautious about the prospects of further easing. Wrapping up its February policy meeting, the Reserve Bank of Australia (RBA) cut the cash rate by a quarter-point to 4.1%, the first reduction since November 2020 when the pandemic crisis saw rates slashed to an all-time low of 0.1%. "The Board’s assessment is that monetary policy has been restrictive and will remain so after this reduction in the cash rate." "The board needs more data that inflation is continuing to decline before making decisions about the future."

U.S. job openings increased in January, but demand for labor is likely to soften in the months ahead amid concerns that uncertainty over import tariffs and aggressive government spending cuts could cause a sharp slowdown in economic activity. Job openings, a measure of labor demand, rose 232,000 to 7.740 million on the last day of January, as per the JOLTS report.

The 12-month change in the personal consumption expenditures price index of US, which the Fed targets at 2%, ticked down to 2.5% last month from 2.6% in December, and the core PCE measure fell to 2.6% from 2.9%, the Commerce Department's data showed. That means, the Federal Reserve could restart cuts to short-term borrowing rates in June and follow up with another reduction in September, according to analyst expectations. The same report also showed consumer spending unexpectedly dropped in January, following a sharp increase in December as households stocked up on goods ahead of the Trump administration's telegraphed tariffs, which have stoked rising fears of a resurgence in price pressures amid a slowdown in business activity.

The number of Americans filing new applications for unemployment benefits increased more than expected last week, but that likely does not signal a material shift in labor market conditions. Initial claims for state unemployment benefits jumped 22,000 to a seasonally adjusted 242,000 for the week ended February 22, against Reuters had forecast 221,000 claims for the latest week. A separate unemployment compensation for federal employees (UCFE) program, which is reported with a one-week lag, showed no impact yet from mass layoffs of probationary federal government workers, most of whom were fired around February 14 by billionaire Elon Musk's Department of Government Efficiency, or DOGE - an entity created by new Republican President.

US FED last policy meeting minutes shows, President initial policy proposals raised concern at the Federal Reserve about higher inflation, with firms telling the U.S. central bank they generally expected to raise prices to pass along the cost of import tariffs, policymakers said at a meeting held about a week after Trump's January 20 inauguration. Participants at the U.S. central bank's January 28-29 meeting "generally pointed to the upside risks to the inflation outlook," rather than risks to the job market, according to the minutes from the meeting. "In particular, participants cited the possible effects of potential changes in trade and immigration policy, the potential for geopolitical developments to disrupt supply chains, or stronger-than-expected household spending." While still having faith that price pressures will ease in coming months, "other factors were cited as having the potential to hinder the disinflation process," the minutes said. Participants also noted that some measures of inflation expectations, a key concern for the Fed, "had increased recently."

U.S. retail sales dropped by the most in nearly two years in January, likely because of frigid temperatures and moderation following hefty gains in the past four months, suggesting a sharp slowdown in economic growth early in the first quarter. Retail sales dropped 0.9% last month, the biggest decrease since March 2023, after an upwardly revised 0.7% increase in December

U.S. manufacturing production unexpectedly fell in January, weighed down by a sharp decline in motor vehicle output. Factory output dipped 0.1% last month after a downwardly revised 0.5% rebound in December, against Reuters had forecast production edging up 0.1% after a previously reported 0.6% surge.

U.S. producer prices increased solidly in January, offering more evidence inflation was picking up again and strengthening financial market views that the Federal Reserve would not be cutting interest rates before the second half of the year. The PPI for final demand rose 0.4% last month after an upwardly revised 0.5% gain in December, against Reuters had forecast the PPI rising 0.3%. In the 12 months through January, the PPI advanced 3.5% after increasing 3.3% in December.

Federal Reserve Chair Jerome Powell, in his testimony before the Senate Banking Committee, signaled that the central bank is in no hurry to cut interest rates, emphasizing that the U.S. economy remains strong. With unemployment at 4%—a level consistent with full employment—and inflation still above the Fed’s 2% target, Powell underscored the need for a cautious approach to monetary policy. He reiterated that premature or excessive rate cuts could hinder progress in controlling inflation. The Fed's decision to hold interest rates steady in January reflects its commitment to balancing inflation control with economic stability. Powell acknowledged the economic "risks and uncertainties" arising from the Trump administration’s trade tariffs, labor force policies, and potential tax and regulatory changes, though he did not explicitly detail their impact.

On Tariffs Update, U.S. President suspended on 6-Mar tariffs of 25% he had imposed this week on most goods from Canada and Mexico, the latest twist in a fluctuating trade policy that has whipsawed markets and fanned worries about inflation and growth. The exemptions for the two largest U.S. trading partners, expire on April 2, when Trump has threatened to impose a global regime of reciprocal tariffs on all U.S. trading partners. In response, Canada will delay a planned second wave of retaliatory tariffs on C$125 billion ($87.4 billion) of U.S. products until April 2, Finance Minister Dominic LeBlanc said in a post on X. For Canada, the amended White House order also excludes duties on potash, a critical fertilizer for U.S. farmers, but does not fully cover energy products, on which Trump has imposed a separate levy of 10%. Trump has also imposed tariffs of 20% on all imports from China as a result. U.S. President said on 7-Mar, that he is "strongly considering" imposing sanctions, including ones on banking, and tariffs on Russia until a ceasefire and peace agreement is reached with Ukraine. Russia, one of the world's biggest oil producers, is subject to wide-ranging sanctions imposed by the U.S and partners after its invasion of Ukraine in February 2022. U.S. sanctions on Russia include measures aimed at limiting its oil and gas revenues, including a cap of $60 per barrel on Russia's oil exports.

U.S. President will exempt automakers from his 25% tariffs on Canada and Mexico for 1-month as long as they comply with existing free trade rules, the White House said on 5-Mar, a development that halted at least for now Wall Street's steepest skid in nearly three months. Trump is also open to hearing about other products that should be exempted from the tariffs, which took already effect, the White House said.

U.S. President on 26-Feb raised hopes for another month-long pause on steep new tariffs on imports from Mexico and Canada, saying they could take effect on April 2, and floated a 25% "reciprocal" tariff on European cars and other goods. A White House official, however, said Trump's previous March 4 deadline for the 25% tariffs on Mexican and Canadian goods remained in effect "as of this moment," pending his review of Mexican and Canadian actions to secure their borders and halt the flow of migrants and the opioid fentanyl into the U.S.

U.S. President said on 19-Feb, he intends to impose auto tariffs "in the neighborhood of 25%" and similar duties on semiconductors and pharmaceutical imports, the latest in a series of measures threatening to upend international trade. earlier, president said levies on automobiles would come as soon as April 2, the day after members of his cabinet are due to deliver reports to him outlining options for a range of import duties as he seeks to reshape global trade. The European Union, for instance, collects a 10% duty on vehicle imports, four times the U.S. passenger car tariff rate of 2.5%. The U.S., though, collects a 25% tariff on pickup trucks from countries other than Mexico and Canada, a tax that makes the vehicles highly profitable for Detroit automakers. He did not provide a date for announcing those duties and said he wanted to provide some time for drug and chip makers to set up U.S. factories so that they can avoid tariffs.

U.S. consumer prices increased by the most in nearly 1-1/2 years in January, with Americans facing higher costs for housing and food, reinforcing the Federal Reserve's message that it was in no rush to resume cutting interest rates amid growing uncertainty over the economy. The CPI jumped 0.5% last month, the biggest gain since August 2023, after rising 0.4% in December, that followed two straight monthly gains of 0.3%. In the 12 months through January, the CPI increased 3.0% after advancing 2.9% in December. Economists polled by Reuters had forecast the CPI gaining 0.3% and rising 2.9% year-on-year. Inflation remains above the U.S. central bank's 2% target. In the 12 months through January, the core CPI rose 3.3% after advancing 3.2% in December.

China swiftly retaliated against new U.S. tariffs, imposing levies on $21 billion worth of American agricultural and food products, alongside export and investment restrictions on 25 U.S. firms. The move escalates tensions between the world’s two largest economies, edging closer to a full-scale trade war. Analysts warn of broader economic disruptions, with U.S. inflation risks and China’s post-COVID recovery at stake. Meanwhile, alternative markets like Brazil and Australia could benefit as trade realigns amid ongoing tensions.

On data side, U.S. construction spending unexpectedly fell in January, pulled down by a decline in outlays on multi-family homebuilding. The Commerce Department's Census Bureau said that construction spending dropped 0.2% after an unrevised 0.5% increase in December against expected construction spending would be unchanged. Construction spending increased 3.3% on a year-on-year basis in January.

Separately, Physically backed gold exchange-traded funds (ETFs) registered the largest weekly inflow since March 2022 on week end 23-Feb, data by the World Gold Council (WGC) showed. Gold ETFs saw an inflow of 52.4 metric tons worth $5 billion in week, the largest amount since the first week of March 2022, when global markets were grappling with immediate consequences of Russia's invasion of Ukraine. This raised their total holdings by 1.6% to 3,326.3 tons, the largest since August, 2023. The U.S.-listed funds led the inflow last week with 48.7 tons. For comparison, in January they saw an outflow of 6.3 tons.

Other side, Global gold ETFs recorded net inflows of $3 billion in January 2025, marking a second consecutive month of gains amid rising gold prices. Total assets under management (AUM) reached a record $294 billion, with holdings rebounding by 34 tonnes. Meanwhile, global gold trading volumes surged 20%, driven by increased OTC and exchange activity, according to WGC data. Europe led inflows, adding $3.4 billion—the largest monthly increase since March 2022. North America saw outflows of $499 million as early optimism around President Trump’s inauguration faded. Profit-taking, In Asia, Indian gold ETFs attracted a record $400 million amid global uncertainty and weak equities. Conversely, Chinese funds saw outflows as strong GDP growth bolstered risk appetite. Other regions, including Australia and South Africa, recorded $66 million in inflows, as per World Gold Council latest data.

British retail sales rose in January for the first time since August and by much more than expected, indicates consumers were happy to spend despite a weak outlook for the economy. The 1.7% month-on-month gain in sales volumes was bigger than forecast in a Reuters for a 0.3% increase. Retail sales volumes for the three months to January fell by 0.6% compared with the previous three months, reflecting the weakness at the end of last year. Compared with a year earlier, retail sales in January were up by 1.0%, stronger than a median forecast for 0.6% growth.

British consumers turned a little less pessimistic this month as the Bank of England's latest interest rate cut led to an improvement in expectations for their household finances, according to a survey. The monthly consumer confidence index published by market research firm GfK edged up in February to -20 from January's -22 which was the lowest since December 2023 against Reuters expected reading of -22. The BoE halved its forecast for economic growth in 2025 to 0.75% earlier this month.

British inflation sped up by more than expected to hit a 10-month high of 3.0% in January and is likely to rise further soon, testing the Bank of England's confidence that price pressures will ease over the longer term. The Office for National Statistics said the increase in January was driven largely by a smaller-than-usual drop in air fares that month - a volatile component that had pushed inflation down in December - and a rise in automotive fuel prices. The BoE forecasts that consumer price inflation will peak at 3.7% in the third quarter of 2025, driven mostly by higher energy costs and regulated tariffs for items such as domestic water supply. Core inflation, which excludes energy, food, alcohol and tobacco prices, rose to 3.7% from 3.2% in January.

Britain's economy unexpectedly grew by 0.1% in the final quarter of last year, official figures showed, offering some respite from the downbeat economic picture facing finance minister Rachel Reeves, though longer-term challenges remain. Across 2024 as a whole, GDP grew by 0.9% after 0.4% growth in 2023. But adjusted for a rising population, output per head fell by 0.1% last year, highlighting ongoing pressure on living standards and the public finances. Britain was the best performing major European economy in the fourth quarter - with Germany and France shrinking and Italy stagnant - but trailed behind the United States' 0.6% growth.

Euro zone industrial production shrank by more than expected in December, indicating that the sector's two-year recession is far from over even if some sentiment and order figures have pointed to bottoming out. Output in the 20 nations sharing the euro was down by 1.1% in December from the previous month, underperforming expectations for a 0.6% drop as industrial powerhouse Germany shrank by 2.9% and Italy by 3.1%. Compared to a year earlier, output was down 2.0%, dragged down by a massive 8.0% drop in the production of capital goods.

Business activity in Germany's private sector picked up slightly in February, driven by a steady performance in services and reduced drag from manufacturing, according to a survey published. The HCOB German flash composite PMI, compiled by S&P Global, rose to 51.0 in February from 50.5 in January, marking a 9-month high and above the 50.0 threshold that separates growth from contraction.

French business activity slumped much more than expected in February, according to a survey, as new business and backlogs in the dominant services sector sharply declined. The HCOB France flash PMI for services, compiled by S&P Global, came in at 44.5 points in

February. That figure represents a 17-month low for the euro zone's second-biggest economy and the index has now stayed below the 50 points threshold separating growth from contraction the sixth month running. The flash manufacturing PMI on the other hand rose to 45.5 points - a 9-month high - from 45.0 in January, and matching the Reuters forecast. Last month, the French government cut its 2025 economic growth forecast to 0.9% from 1.1% and said it would target a 2025 public deficit of 5.4% of GDP.

Gold exports from Switzerland rose year on year in January as supplies to the United States soared to the highest in at least 13 years and offset lower deliveries to top consumers China and India, Swiss customs data showed. Switzerland, the world's biggest bullion refining and transit hub, alongside Britain which is home to the world's largest over-the-counter gold trading hub, saw a surge in gold transfers to the U.S. in recent months as President Trump readies wide-reaching import tariffs that some market participants fear could affect gold deliveries. According to the Swiss data, gold exports from the country to the U.S. rose to 192.9 tons in January from 64.2 tons in December. This was the highest monthly amount of exports in the customs data going back to 2012. Trump has not mentioned precious metals are likely to be targeted at all, but since late November, when he pledged to impose tariffs on imported products from Canada and Mexico, 20.4 million troy ounces (636 metric tons) of gold worth $60 billion at current prices were delivered to Comex-approved warehouses. These deliveries raised Comex gold stocks by 116% to 38.0 million ounces, the highest since March 2021, and tightened liquidity in the London OTC market.

Canada's gross domestic product in the fourth quarter expanded by 2.6% on an annualized basis, surpassing widespread expectations of 1.8%, as a jump in consumer spending, business investments and exports lifted growth. The third quarter growth rate was revised to 2.2% from 1% earlier, Statistics Canada said. It added that, on a month-on-month basis, the economy in December expanded by 0.2%, reversing the contraction seen in November. An advance estimate shows that monthly growth would likely be 0.3% in January. On a per capita basis, real GDP rose 0.2% in the fourth quarter, the second increase in the last seven quarters.

Japan's economy expanded an annualised 2.8% in the October-December quarter, faster than a median market forecast for a 1.0% increase. The rise in GDP translated into a quarterly increase of 0.7%, better than the median estimate of 0.3% uptick.

Australian consumer sentiment hit a three-year high in March as slowing inflation and the first interest rate cut in over four years helped lift the gloomy mood for consumers, a survey showed. The Westpac-Melbourne Institute index of consumer sentiment rose a solid 4% in March from February. The index was 13.6% higher on a year earlier, although at 95.9 showed pessimists still outnumbered optimists.

Australian business investment unexpectedly dipped in the December quarter as a pullback in mining and construction outweighed strength in data centres, suggesting a slight drag on economic growth. Data showed private capital spending fell an inflation-adjusted 0.2% in the fourth quarter from the previous quarter, when it rose an upwardly revised 1.6%. Market forecast had been for an increase of 0.8% in the December quarter.

Australian wages rose at the slowest annual pace in more than two years in the fourth quarter even as unemployment stayed near historic lows, suggesting the strong labour market was not a bar to further declines in inflation. Australian Bureau of Statistics (ABS) showed its wage price index rose 0.7% in the December quarter, the lowest increase since the first quarter of 2022. That compared with market forecasts of 0.8%. Annual pay growth slowed to 3.2%, from 3.6%, the lowest reading since the third quarter of 2022. Growth in the private sector ran at 3.3% in the quarter, with public wages growth slowing sharply to only 2.8%.

New Zealand's business confidence rose in February as the economy remains on a path to recovery, an ANZ Bank survey showed. The survey's headline measure showed a net 58.4% of respondents expected the economy to improve over the year ahead, versus a 54.4% optimism level in the previous poll in January. A net 45.1% of respondents expected their own businesses to grow in the next 12 months, down from 45.8% last month.

China, world's leading consumer of gold, China's gold reserves rose to 73.61 million fine troy ounces at the end of February from 73.45 million at the end of January, as the central bank kept buying the precious metal for a fourth straight month. China's gold reserves were valued at $208.64 billion at the end of last month, up from $206.53 billion at the end of January, central bank data showed. Global central banks, a major source of gold demand, bought more than 1,000 metric tons of the metal for the third year in a row in 2024 and are expected to remain active buyers in 2025, according to the World Gold Council. In 2024, the PBOC took a six-month pause after its 18-month-long gold purchasing spree before resuming the gold buying in November.

China purchasing activities can significantly influence global gold prices. China's total gold imports via Hong Kong in January fell 44.8% from December to their lowest since April 2022, Hong Kong Census and Statistics Department data showed. However, the Hong Kong data may not provide a complete picture of Chinese purchases, as gold is also imported via Shanghai and Beijing. China imported a total 13.816 metric tons in January, down from 25.007 tons in December, the data showed. Gold exports from Switzerland to China plunged 99% on an annual basis, Swiss customs data showed earlier.

Indian Prime Minster said on 14-Feb the United States and India have set a target of doubling their bilateral trade to $500 billion by 2030 and will work on concluding a mutually beneficial trade agreement very soon. India PM made the comment at a press conference after a meeting with US President in Washington. He said the U.S. and India would work together on artificial intelligence and semiconductors and focus on establishing strong supply chains for strategic minerals. US president told the news conference India had announced a reduction of tariffs on U.S. goods and said he and Modi would begin talks on disparities on trade with the goal of signing an agreement. He said the United States was entitled to a level playing field and the U.S. trade deficit with India could be made up with the sale of oil and gas.

India the world's fifth-biggest economy, India government has slashed the import tariff price of gold by $11 per 10 grams, bringing it down to $927 per 10 grams. The move comes amidst ongoing selling pressure on the yellow metal, largely driven by a rebound in the dollar index and profit-taking. The import tariff price of gold refers to the base price set by the government for calculating the duty levied on gold imported into the country. This price is periodically reviewed and adjusted based on market dynamics, including factors like the dollar index and global gold prices. Along with gold, the import tariff price of silver has also been slashed by $18 per kilogram, bringing the new price to $1,025 per kilogram. This is the second price revision for silver in recent weeks; earlier in February, the government had raised the base import price by $42 per kilogram.

India's gold imports are set to tumble 85% in February from year ago levels to their lowest in 20 years, with demand sapped by record prices for the precious metal, a government official and three bank dealers told Reuters. India's gold imports in February are likely to fall to around 15 metric tons, the lowest for the month in at least two decades, from 103 tons in February, 2024. In the past decade, on average, India imported 76.5 tons of gold in February.

India's GDP grew by 6.2% in October-December, marginally below 6.3% forecast by reuters & 6.8% estimate by central bank, but faster than in the previous quarter (5.6%) on the back of increased government and consumer spending, Govt data showed. The gross value added (GVA), a measure of economic activity which is seen as a more stable measure of growth, grew 6.2% in October-December, compared to a revised 5.8% expansion in the previous quarter. Government spending rose 8.3% in the last three months of 2024 from a modest 3.8% increase in the previous three months while private consumer spending jumped 6.9% year-on-year, up from 5.9% in the previous quarter. The government raised its full-year growth forecast slightly, estimating the economy will grow 6.5% in the financial year ending March 31, against a previous projection of 6.4%.

India moved platinum alloy imports to the restricted category from the previously free category, except for 99% pure platinum alloy imports, the government said in a notification. The decision to restrict platinum imports by the world's second largest gold consumer comes as some importers were masking gold imports as platinum to avoid higher import duties.

India's retail inflation fell below 4% in February for the first time in 6-months mainly due to a decline in vegetable prices, giving the central bank room to cut rates further in coming meetings. Annual retail inflation in February eased to 3.61%, against expected of 3.98% and the lowest since July. Inflation for January was revised to 4.26% from 4.31%. Core inflation, which excludes volatile items such as food and energy and is a better gauge of domestic demand, rose slightly to 3.9% to 4% in February from 3.7% in the previous month, according to two economists.

India's manufacturing activity grew at its weakest pace in over a year last month due to cooling demand, but employment generation rose at a healthy pace and inflation eased, a private survey showed. The HSBC final India Manufacturing PMI, compiled by S&P Global, fell to 56.3 in February - its lowest since December 2023 - from 57.7 in January and against expected much higher at 57.1. However, the index has been in expansionary territory - above 50 - for 44 consecutive months, the longest streak since July 2013, which marked 52 months of continuous growth.

India's fiscal deficit for April-January was 11.7 trillion rupees ($133.84 billion), or 74.5% of the estimate for the current financial year, government data showed. Net tax receipts for the first ten months of the financial year were at 19.04 trillion rupees, or 74.4% of the annual target, compared with 18.8 trillion rupees for the same period a year earlier, the data showed. Total government expenditure for the ten months was 35.7 trillion rupees or about 75.7% of the annual goal. Capital expenditure, or spending on building physical infrastructure, was 7.57 trillion rupees, or 74.4% of the annual target.

India's infrastructure output grew 4.6% year-on-year in January, backed by a pickup in cement and refined petroleum product output. Infrastructure output, which tracks activity across eight sectors and makes up 40% of the country's industrial production, grew at a revised 4.8% in December, compared to the initial estimate of 4%. Infrastructure output rose 4.4% in April-January, compared to a 7.8% increase in the year-ago period.

India's wholesale inflation in January remained steady at 2.31% year-on-year, from 2.37% in December, on moderation in food and fuel prices. India's retail inflation slowed to a 5-month low in January as food price inflation eased, boosting the odds of another rate cut where growth is slowing amid the escalating threat of a global trade war. Annual retail inflation in January was at 4.31%, lower than economists' estimate of 4.6% and 5.22% in the previous month. Retail inflation was at 3.65% in August 2024. Food inflation eased to 6.02% from 8.39% in December. The central bank targets inflation at 4% within a tolerance band of 2 percentage points on either side. Core inflation, which excludes volatile items such as food and energy and is seen as a better gauge of domestic demand, quickened to 3.7% in January from 3.6% in the previous month, according to economists. Other side, a 5% depreciation in the rupee impacts domestic inflation to the extent of 30 basis points to 35 basis points.

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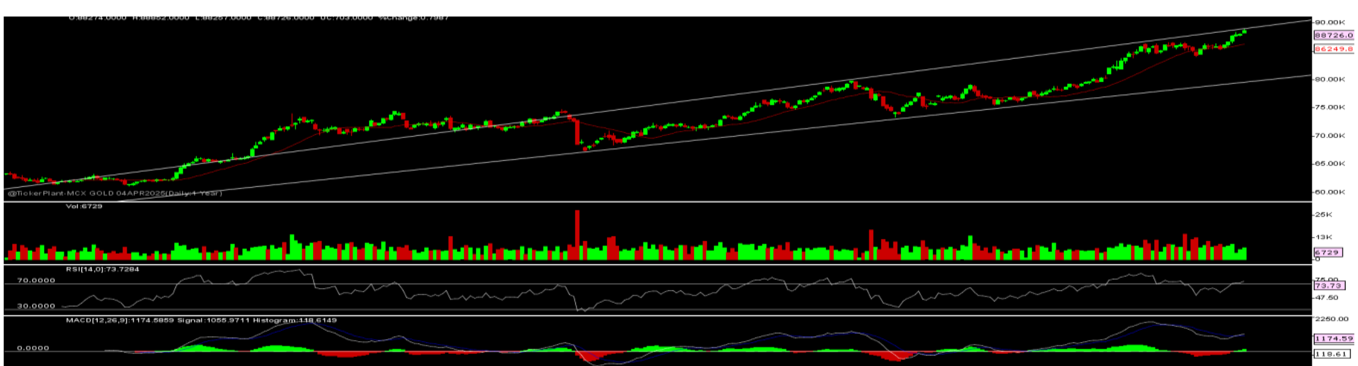
On domestic Data update, India's industrial output in January outpaced expectations, powered by strong manufacturing and mining activity. Industrial output in January grew 5% year-on-year, against the 3.5% growth expected by economists polled by Reuters and the 3.2% growth in December. Industrial output last grew at nearly 5% in November. Industrial output increased by 4.2% in the April-January period compared to 6% a year ago. OPEC expects world oil demand to rise by 1.45 million bpd in 2025 and by 1.43 million bpd in 2026. Both forecasts were unchanged from last month. Growth in India's services sector accelerated in February, supported by robust demand and a firm business outlook that led to a substantial increase in hiring, a survey showed. HSBC's final India services PMI, compiled by S&P Global, rose to 59.0 in February from January's 26-month low of 56.5 but was lower than expected61.1. It has remained above the 50-mark separating expansion from contraction since mid-2021. Growth in India's private sector accelerated at its fastest pace in six months in February due to a surge in services activity that enabled businesses to pass on rising input costs to customers, according to a survey that also showed job creation was at a record high. HSBC's flash India Composite PMI, compiled by S&P Global, rose to 60.6 this month marking a significant jump from 57.7 in January. The 50-mark separates expansion from contraction.

Going ahead, political and economic risks, non-dollar and yield-sensitive demand from de-dollarising central banks and investors seeking a hedge against fiscal instability, as well as sticky inflation, will support another year of gains for gold. Gold likely to continue its northward journey with record high prices on sight in 2024, when the fundamentals of a dovish pivot in U.S. interest rates, continued geopolitical risk, and central bank buying are expected to support the market. To makes bullion attractive assets class, we need to see stronger demand from investors, such as a pickup in ETF inflows, continue central banks buying and for all that weaker U.S. economic data and lower inflation is needed, so that the Fed sounds more dovish.

Technical Outlook:

On the Daily Chart MCX:



Sources – Ticker Plant and Bonanza Research

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In COMEX GOLD is trading at $3035

Expected support and Resistance level for the month

Gold	S1	S2	R1	R2
COMEX/DG CX ($)	2975	2950	3050	3100
MCX (Rs.)	86700	85000	89000	90500

Mcx Trend seen Bullish as long S1 hold, while Sustain close below 85000 seen prices towards 83000-81000.

SILVER

Technical Outlook:

On the Daily Chart MCX:

Sources – Ticker Plant and Bonanza Research

Expected support and Resistance level for the month

Silver	S1	S2	R1	R2
COMEX/DG CX ($)	33.20	30.70	35.0	37.0
MCX (Rs.)	99300	96300	102000	105000

MCX trend seen Bullish as long hold S1, While Sustain above 102000 seen towards R2-106000.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex continue its range bound trading in 4th straight month Feb as price fall earlier than some bounce and again fall towards end due to on one side demand concern after US tariff plan and global economic outlook also seen blink with top Crude consumer Russia not seen strong revival in demand and OPEC+ delay decision makes mismatch in demand supply scenario and pressure crude oil prices. Some ceasefire news from geopolitical tension also wipe out war premium from Crude oil. Benchmark Brent crude and WTI end lower by 3-4% for Feb.

OPEC+ has decided to proceed with a planned April oil output increase, the group said on 3-March, a move that follows US President renewing pressure on OPEC and Saudi Arabia to bring down prices. The increase is the first since 2022 from OPEC+, which includes the OPEC, plus Russia and other allies. Eight OPEC+ members that are making the group's most recent layer of output cuts held a virtual meeting on same day and agreed to proceed with the April increase, OPEC said. The increase is 138,000 barrels per day according to Reuters calculations. "This gradual increase may be paused or reversed subject to market conditions," OPEC said in a statement. "This flexibility will allow the group to continue to support oil market stability." OPEC+ has been cutting output by 5.85 million barrels per day, equal to about 5.7% of global supply, agreed in a series of steps since 2022 to support the market. In December, OPEC+ extended its latest layer of cuts through the first quarter of 2025, pushing back the plan to begin raising output to April. The extension was the latest of several delays last year. Based on the plan, the gradual unwinding of 2.2 million bpd of cuts - the most recent layer - begins in April with a monthly rise of 138,000 bpd.

The International Energy Agency which advises industrialised countries, Global oil supply could exceed demand by around 600,000 barrels per day this year, the Paris-based agency said in a monthly oil market report, after a downward revision to its 2025 demand growth forecast. That surplus could grow by a further 400,000 bpd if OPEC+ extends its unwinding of output cuts, and fails to rein in overproduction against quotas. The IEA revised down its 2025 oil demand growth forecast by 70,000 bpd to around 1 million bpd, with growth driven largely by Asia, specifically China's petrochemical industry.

Kazakhstan contributed more than a half of overall OPEC+ oil production rise in February, lagging behind its pledges to reduce production, OPEC data showed. Kazakhstan has persistently exceeded its output quota of 1.468 million bpd under the production-curbing deal struck by the OPEC and allies including Russia - together known as OPEC+. Russia's crude oil output edged down by 0.04% to 8.973 million barrels per day (bpd) in February from 8.977 million bpd January, according to OPEC. It was slightly below Russia's output quota of 8.98 million bpd under a pact among OPEC+ producers.

China crude oil imports in 1st two months of 2025, which dropped to 83.85 million metric tons in the first two months, equivalent to 10.42 million barrels per day (bpd). This is down 3.4% on a barrels per day basis from the 10.79 million bpd reported for the first two months of 2024, and is also below the 11.31 million bpd imported in December. There is the possibility that the stricter sanctions on Russian crude exports introduced in January by former U.S. president Joe Biden cut some of China's import demand.

China's crude imports are estimated by LSEG Oil Research at 10.75 million barrels per day (bpd) in February, up slightly from January's 10.1 million bpd, but still down from the customs figure of 11.04 million bpd for 2024.

OPEC oil output rose in February, a Reuters survey found, as Iranian exports held strong, despite renewed U.S. attempts to curb the flows, and Nigeria boosted output above its target within the wider OPEC+ group. The OPEC pumped 26.74 million barrels per day last month, up 170,000 bpd from January's revised total, the survey showed, with Iran and Nigeria posting the largest gains. OPEC's biggest rise, of 80,000 bpd, came from Iran, the survey found, with output of 3.30 million bpd. This matched September's figure which was the highest since 2018, according to Reuters surveys. There were no significant declines in output last month, the survey found.

OPEC, in a monthly report, stuck to its forecast for relatively strong growth in global oil demand in 2025, saying air and road travel would support consumption and potential trade tariffs were not expected to impact economic growth. OPEC, said world oil demand will rise by 1.45 million barrels per day (bpd) in 2025 and by 1.43 million bpd in 2026. Both forecasts were unchanged from last month. In the report, OPEC said the trade policy of President Donald Trump's new U.S. administration has added more uncertainty into markets, potentially creating supply-demand imbalances that are not reflective of market fundamentals, but it made no change to its 2025 economic growth forecast.

U.S. oil production is poised to set a larger record this year than prior estimates, the U.S. Energy Information Administration (EIA) said in its Short-Term Energy Outlook report, but it maintained its estimate for demand growth. The EIA said it now expects U.S. crude oil production to average 13.59 million barrels per day (bpd) in 2025, up from its prior estimate of 13.55 million bpd. The agency held its estimate for U.S. consumption of petroleum and liquid fuels steady at 20.5 million bpd in 2025. Global liquid fuels production is set to rise by 1.7 million bpd in 2025, with about 100,000 bpd from OPEC+ producers. The group will increase production by 600,000 bpd in 2026 as they unwind voluntary production cuts, but will remain at levels below their targets in an effort to limit increases in global oil inventories, EIA said. Global liquid fuels consumption will rise by 1.4 million bpd in 2025 and 1 million bpd in 2026, led by India and China, EIA said. However, the anticipated growth continues to be slower than the pre-pandemic trend, the EIA said. U.S. refinery utilization will remain relatively high and net U.S. fuel exports will decrease to meet domestic fuel demand due to the closure of two U.S. refineries, the EIA said.

OPEC+ has exported a record amount of refined products, blunting the impact of the group's crude output curbs, as members including Saudi Arabia, seek to boost their revenues and market share, according to industry data and analysts. This means individual members can increase exports of fuel products - if they have enough refinery capacity – without violating pledges to the group.

U.S. energy firms this week added oil and natural gas rigs for a 5th week in a row for the first time since May 2022, energy services firm Baker Hughes said in its closely followed report. The oil and gas rig count, an early indicator of future output, rose by one to 593 in the week to February 28, its highest since June. Despite this week's rig increase, Baker Hughes said the total count was still down 36 rigs, or 6% below this time last year. Baker Hughes said oil rigs fell by two to 486 this week, while gas rigs rose by three to 102. In February, total oil and gas rigs rose by 11, the most in a month since November 2022, with oil rigs up seven, also the biggest monthly gain since November 2022, and gas rigs up four. The oil and gas rig count declined by about 5% in 2024 and 20% in 2023.

Latest US Weekly Inventory data shows, U.S. crude oil stockpiles fell unexpectedly last week as refining activity ticked higher, while gasoline and distillate inventories posted surprise builds, the Energy Information Administration (EIA) latest weekly data. Crude inventories fell by 2.3 million barrels to 430.2 million barrels in the week ended February 21, compared with a Reuters forecast for a 2.6 million-barrel rise. Refinery crude runs rose by 317,000 bpd last week, while utilization rates increased by 1.6 percentage points to 86.5% of total capacity, the EIA said. Gasoline stocks rose by 400,000 barrels in the week to 248.3 million barrels, compared with expectations for an 800,000-barrel draw. Distillate stockpiles, which include diesel and heating oil, rose by 3.9 million barrels in the week to 120.5 million barrels, versus expectations for a 1.5 million-barrel drop. Net U.S. crude imports rose last week by 292,000 bpd, the EIA said. Exports of total petroleum products fell last week to their lowest since October 2023.

India, the world's third-biggest oil importer and consumer, U.S. exports of crude oil to India last month climbed to their highest in over two years, ship tracking data showed, as refiners in the country sought alternative supplies following tighter U.S. sanctions on Russian producers and tankers. The U.S. exported about 357,000 bpd of crude to India, in February, ship tracking data from Kpler showed. That compared with exports of about 221,000 bpd last year. India said last month its energy purchases from the U.S. could go up to $25 billion in the near future from $15 billion last year. The U.S. also exported a record 656,000 bpd of crude to South Korea in February, as a 10% tariff on U.S. oil by China rerouted flows. Exports to China from the United States eased to 76,000 barrels per day, among the lowest volumes in the last five years.

In the first 10 months of the current fiscal year from April 1, 2024, India's oil imports rose 4.5% to average at 4.8 million barrels per day, per data. Goldman Sachs raised its year-end 2025 gold price forecast to $3,100 per ounce, up from $2,890 previously. "We estimate that structurally higher central bank demand will add 9% to the gold price by year-end, which, combined with a gradual boost to ETF (exchange traded funds) holdings as the funds rate declines, should outweigh the drag from normalizing positioning, assuming uncertainty diminishes," Goldman Sachs said. "However, if policy uncertainty--including tariff fears--stays high, higher speculative positioning for longer could push gold prices as high as $3,300/toz by year-end." The bank also revised its central bank demand assumption upward to 50 tonnes per month from the previous estimate of 41 tonnes. Earlier this month, Citi revised its near-term (0-3 months) price target for gold up to $3,000 per ounce from $2,800.

Mexican state company Pemex is in talks with potential buyers in Asia, including China, and Europe, as it seeks alternative markets for its crude after U.S. President imposed tariffs on imports, a senior Mexican government official said. Trump implemented 25% tariffs on goods from Mexico and Canada. While Canadian crude won an exception of a 10% levy, Mexican crude is to be taxed at 25%. Last year, Pemex exported 806,000 barrels per day (bpd) of crude, of which 57% went to the United States. In January, exports slumped 44% year-on-year to 532,404 bpd, the lowest level in decades.

Russia's commercial revenues from sales of crude oil and oil products in January rose by $900 million from December to $15.8 billion due to higher oil prices and stable export volumes, despite sanctions, the International Energy Agency said. According to the IEA, Russia's crude oil and oil products exports last month were broadly on par with December's volumes, at around 7.4 million barrels per day, with crude oil supplies increasing by 100,000 bpd to 4.6 million bpd. Exports of oil products declined by the same amount to 2.8 million bpd. Year-on-year, Russia's crude oil and oil products exports declined in January by 60,000 bpd, IEA data showed. The agency also said that all the Russian oil was sold above the Western-imposed price cap of $60 per barrel last month. According to the IEA, Russia's oil production last month rose by 100,000 bpd to 9.2 million bpd, above the OPEC+ quota of 8.98 million bpd.

Separately, U.S. Energy Secretary Chris Wright estimates it would take $20 billion and years to accomplish President goal of refilling the Strategic Petroleum Reserve to its maximum capacity, the Energy Department said. Former President Joe Biden's administration sold nearly 300 million barrels from the reserve including a 180-million-barrel sale in 2022 after Russia invaded Ukraine. The sales pushed the SPR to the lowest level in 40 years. The SPR is the world's largest emergency crude oil stockpile with capacity to store about 727 million barrels and currently holds about 395 million barrels. The estimated $20 billion would only be enough to buy about 301 million barrels of U.S. crude at today's prices, and would bring the reserve to less than 700 million barrels.

Kazakhstan raised crude oil and gas condensate production in February by 13% from January to a record high 2.12 million barrels per day, a source told Reuters, again exceeding its quota within the OPEC+ group of oil producers. Excluding gas condensate, a type of light oil, crude oil production jumped last month by 15.5% from January to 1.83 million bpd, according to the source familiar with the official statistics, and Reuters calculations, which take into account Kazakhstan's tons per barrel ratio of 7.5.

U.S. President said he was reversing a license given to Chevron to operate in Venezuela by his predecessor Joe Biden more than two years ago, accusing President Nicolas Maduro of not making progress on electoral reforms and migrant returns. Chevron exports about 240,000 barrels per day of crude from its Venezuela operations, over a quarter of the country's entire oil output. Ending the license means Chevron will no longer be able to export Venezuelan crude. And if Venezuela's state oil company PDVSA exports oil previously exported by Chevron, U.S. refineries will be unable to buy it due to U.S. sanctions.

Global electricity demand is expected to grow by 4% - or more than the total consumption of Japan - each year through 2027, but the expansion of low-emissions energy sources should help offset the trend, the IEA said in a report. Emerging and developing economies are expected to account for 85% of global demand growth, with China forecast to make up more than half of the gains with a 6% growth rate year-on-year to 2027, the IEA report said. Air conditioning, data centres and 5G networks are additional contributors. "Around 1% of global electricity consumption only comes from data centers as of now, and while growth is expected, it's occurring in different regions at different paces. India is also expected to account for 10% of the global increase in demand, with robust economic activity and rapidly rising air conditioning.

Going ahead, Prices likely to be trade between weak global growth to cap demand against ongoing geopolitical tensions could provide support to prices. Other side, OPEC+, will be able to commit to the supply cuts they have pledged to prop up prices.

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Technical Outlook:-

On the Daily Chart MCX:

Sources – Ticker Plant and Bonanza Research

Expected Support and Resistance level for the month

Crude	S1	S2	R1	R2
NYMEX/DG CX ($)	66.75	64.50	68.50	71.0
MCX (Rs.)	5675	5500	5950	6150

MCX trend seen Bearish as long hold R1 While Sustain below 5675 seen towards S2-5400.

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Natural Gas

Technical Outlook:

On the Daily Chart MCX:

Sources – Ticker Plant and Bonanza Research

Natural Gas	S1	S2	R1	R2
MCX (Rs.)	328	310	365	385

MCX trend seen bearish as long hold R1, While Sustain Close below 342 seen towards S1-320 belt.

Base Metals

Market Outlook and Fundamental Analysis

COPPER:

Base metal complex register 2nd consecutive monthly gain above 1% as initially price seen range bound to lower side on US president tariff plan on Aluminum and Steel and demand concern after trade war situation keep prices under check. While in second half recovery seen after China will announce and boost economy added by US FED likely to cut rate sooner than expected force dollar index lower and positive action seen in base metals pack. The base metals index in domestic Future exchange fluctuates between 18200 – 17200 range to end with marginal gain of 400 points for Feb. Benchmark Copper future in domestic future exchange register gain by inch below 4%, Zinc up 1.5% while Aluminum gain more than 2% to test April 2022 high and Lead almost flat in domestic future exchange for the month of Feb.

China world's second-biggest economy, unlocked more fiscal stimulus on 5-Mar, promising greater efforts to support consumption and cushion the impact of an escalating trade war with the U.S. on an economy that Beijing is determined to grow by another 5%-or-so this year. Premier Li Qiang, in a speech at the opening of the annual meeting of China's parliament, warned that "changes unseen in a century are unfolding across the world at a faster pace". "An increasingly complex and severe external environment may exert a greater impact on China in areas such as trade, science, and technology," Li said. "For the first time, boosting consumption has been elevated to the top priority among 2025's major tasks, displacing technology from its usual leading position. The roughly 5% growth target for 2025 and a larger budget deficit plan of around 4% of economic output that Li presented to parliament as expected by market. China also plans to issue 1.3 trillion yuan ($179 billion) in ultra-long special treasury bonds this year, up from 1 trillion yuan in 2024. Local governments will be allowed to issue 4.4 trillion yuan in special debt, up from 3.9 trillion yuan. Separately, Beijing plans to raise 500 billion yuan to re-capitalise major state banks.

China's consumer price index in February missed expectations and fell at the sharpest pace in 13 months, while producer price deflation persisted, as seasonal demand faded and households remained cautious about spending amid job and income worries. The CPI fell

0.7% last month from a year earlier, reversing January's 0.5% increase, data from the NBS showed. It was the first contraction in the index since January 2024, and worse than a 0.5% slide estimated by Reuters. Core CPI, excluding volatile food and fuel prices, fell 0.1% in February, the first fall since January 2021. On a month-on-month basis, CPI fell 0.2%, against a 0.7% rise in January and below a predicted 0.1% drop. The producer price index fell 2.2% on-year in February, easing from a 2.3% slide in January and the smallest contraction in six months, but missing the forecast 2.1% decline. China's producer prices have been falling since September 2022.

China's household spending is less than 40% of annual economic output, some 20 percentage points below the global average. Investment, by comparison, is 20 points above.

China's manufacturing activity expanded at the fastest pace in three months in February as new orders and higher purchase volumes led to a solid rise in production, an official factory survey showed. The official PMI rose to 50.2 in February from 49.1 a month prior, the highest since November and beating forecasts by Reuters of 49.9. The non-manufacturing PMI, which includes services and construction, rose to 50.4 from 50.2 in January.

China left benchmark lending rates unchanged at the monthly fixing on Thursday, showing authorities are going slow with monetary stimulus as they prioritise financial and currency stability. The one-year loan prime rate (LPR) was kept at 3.10%, while the five-year LPR was unchanged at 3.60%.

China's car sales fell 12% in January from a year earlier, the first decline since September and the biggest drop in almost a year, as automakers braced for intense competition in the world's largest auto market. Passenger vehicle sales tend to post big swings in the first two months, due to shifting timings for the Lunar New Year, which began in January this year versus February last year.

U.S. President substantially raised tariffs on steel and aluminum imports on 10-Feb to a flat 25% "without exceptions or exemptions" in a move he hopes will aid the struggling industries in the United States but which also risks sparking a multi-front trade war. Trump signed proclamations raising the U.S. tariff rate on aluminum to 25% from his previous 10% rate and eliminating country exceptions and quota deals as well as hundreds of thousands of product-specific tariff exclusions for both metals. A White House official confirmed the measures would take effect on March 4. The tariffs will apply to millions of tons of steel and aluminum imports from Canada, Brazil, Mexico, South Korea and other countries that had been entering the U.S. duty free under the carve-outs. Trump later said he would give "great consideration" to Australias request for an exemption to the steel tariffs due to that country's trade deficit with the U.S. The action also extends the tariffs to downstream products that use foreign-made steel, including fabricated structural steel, aluminum extrusions and steel strand for pre-stressed concrete, a White House official said. As he signed the order at the White House, Trump said he would follow Monday's action with announcements about reciprocal tariffs on all countries that impose duties on U.S. goods over the next two days, and said he was also looking at tariffs on cars, semiconductors and pharmaceuticals.

US President on 11-March doubled his planned tariffs on all imports of steel and aluminum products from Canada to 50%, in response to the province of Ontario's decision to place a 25% tariff on its electricity exports to the U.S. Trump said in a post on his Truth Social media platform that he has instructed his commerce secretary to add an additional 25% tariff on the metals products that will go into effect on 12-march morning.

Goldman Sachs forecasts a 180 kt global copper market deficit in 2025, on firm electrification demand, China stimulus, and slower mine supply growth, with the deficit concentrated in the second half of the year due to seasonal factors.

China's imports of major commodities got off to a weak start in 2025, continuing the recent softening trend amid concern over growth momentum in the world's second-biggest economy. Imports of crude oil, natural gas, iron ore and copper all declined in the first two months of the year compared with the same period last year, according to official customs data. China combines import data for January and February to smooth out the impact of the week-long Lunar New Year holiday, the timing for which changes each year.

China's unwrought copper imports declined by 7.2% yoy to 837,000 metric tons in the first two months of 2025, customs data showed, due to increased domestic smelting capacity that reduced the need for additional imports. The data includes anode, refined, alloy and semi-finished copper products. Imports of copper concentrate stood at 4.71 million tons for January and February, up 1.3% from corresponding period last year, data from the General Administration of Customs showed.

The price of copper in the United States rocketed after U.S. President Donald Trump pushed forward his plans to slap tariffs on industrial metals. The premium of U.S. Comex copper futures over those traded on the London Metal Exchange surged to a record of $920 per metric ton on 10-Feb. Since Trump became president, Comex copper has traded at a premium to the LME, ranging from about around $250 to $500 as investors sought to price in the impact of potential tariffs.

The share of available aluminium stocks of Russian origin in warehouses registered with the London Metal Exchange rose to 75% in February from 67% in January, while the share for Indian origin fell to 24% from 31%, LME data showed. Available aluminium stocks of Russian origin or those that are on warrant were at 155,125 metric tons at the end of February compared with 164,475 tons at the end of January. The LME banned metal produced in Russia after April 13, 2024, from its warehousing system, but metal made before that date can still be traded. Indian-origin aluminium, at 49,400 tons at end-

February, comprised 24% of on-warrant stocks in the LME system, down from 75,225 tons.

Price premiums for aluminium on the physical market in the United States have surged to a record high due to the looming threat of tariffs on imports of the metal used in the transport, construction and packaging industries. U.S. President Donald Trump is planning to restore 25% tariffs on aluminium imports from March 12. Buyers on the physical market usually pay the London Metal Exchange benchmark aluminium price plus a premium which typically covers taxes, transport and handling costs. U.S. aluminium import taxes will apply to Argentina, Australia, Canada, Mexico, European Union countries and the UK. The second largest exporter to the United States is Saudi Arabia, not included in the list so far, with an 11% share, according to Trade Data Monitor.

Aluminum producer Alcoa said that U.S. President plan to impose a 25% tariff on aluminum imports, could cost about 100,000 U.S. jobs and would itself not be enough to entice it to boost production in the country. The tariff takes effect on March 4. Bill Oplinger, Alcoa's CEO, told the BMO Global Metals and Mining Conference in Florida that the tariffs could cost about 20,000 U.S. aluminum industry jobs and further 80,000 jobs in sectors that support it. U.S. data showed aluminum smelters produced just 670,000 metric tons of the metal last year, compared with 3.7 million in 2000. Plant closures in recent years, including in Kentucky and Missouri, have left the country largely reliant on imports.

One party has taken control of up to 90% of available London Metal Exchange (LME) aluminium inventories worth half a billion dollars, according to LME data on 24-Feb. The exchange does not provide the identity of parties holding large positions, but often investors or traders will hold inventories hoping to profit from looming shortages or to meet commitments to customers. That seems to be reflected in a spate of fresh cancellations in LME warehouses recently - 32,175 metric tons in a week - in which owners give notice of plans to remove metal. Total LME stocks of aluminium stand at 535,900 tons, but the LME bases its position data on inventories that are available and not cancelled - earmarked for impending shipment - which is 208,400 tons. Overall LME stocks have halved since May last year, suggesting a tighter aluminium market.

Going ahead, weak economic numbers, demand concern from top consuming countries weigh on process for short term while FED rate cut expectation which might revive demand for base metals and any fall in dollar index will support base metals at every dip.

Base Metals

TECHNICAL OUTLOOK:

COPPER:

Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level for the month

Copper	S1	S2	R1	R2
MCX	887	873	910	925

MCX trend seen Bullish as long hold S1, While Sustain above 910 seen towards R2-930 belt.

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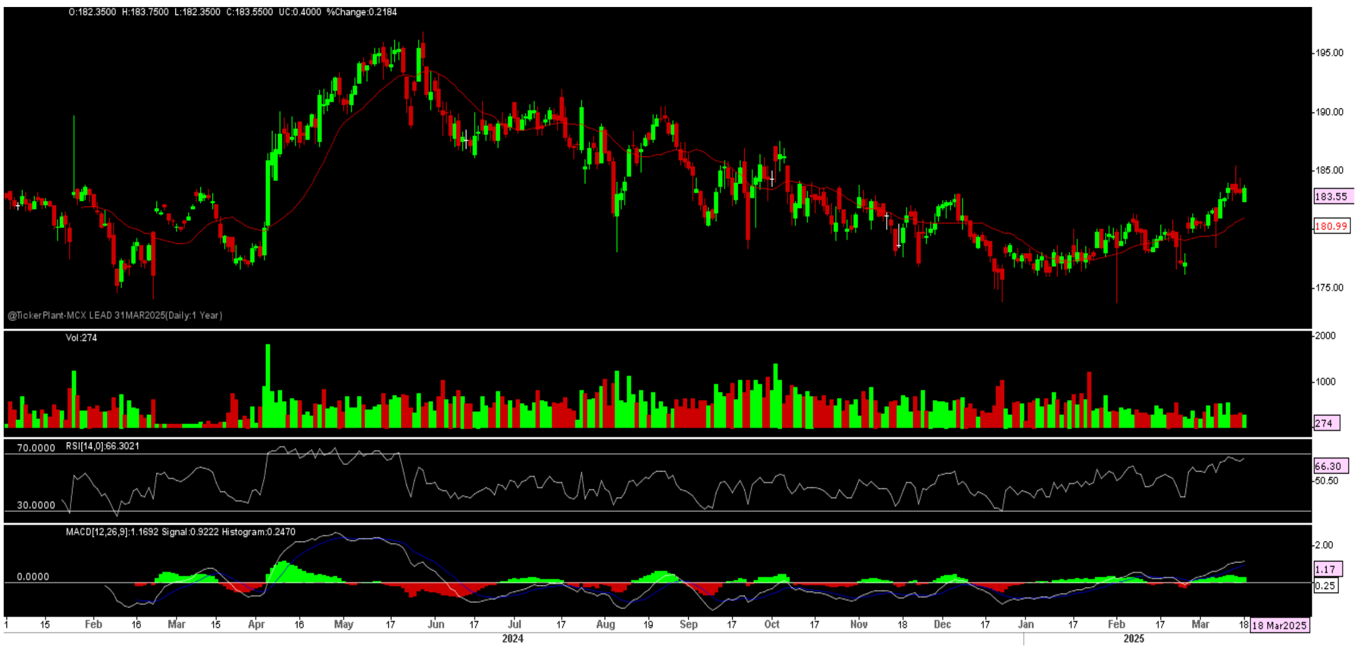
LEAD:

Technical Outlook:



Sources – Ticker Plant and Bonanza Research

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	181.0	178	186	190

MCX trend seen Bearish as long hold R1 while Sustain Close above R1 seen 189-190 belt.

ZINC

TECHNICAL OUTLOOK:

Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	271	265	282	288

MCX trend seen Bullish as long hold S1, While Sustain above 282 seen towards 287-290.

NICKEL

TECHNICAL OUTLOOK:

No View due to Low Volumes

MONTHLY BULLETIN (RESEARCH) Date 17th Feb 2025

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DATE-March 17th, 2025

Disclosure:

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MONTHLY BULLETIN (RESEARCH) Date 17th Feb 2025

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