MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

GOLD

Market Outlook and Fundamental Analysis:

Bullion across complex seen monthly gain in July while dollar index register 2nd monthly fall while in precious metals palladium lead complex with beat monthly gain in a year. Gold up almost 2.5% in July, its beat month in four while Silver gain 1.8% thanks to expectations that major global; central banks are nearing a peak with interest rates hike spree while weakness in dollar index attracts gold more as holders of other currency. In domestic market bullion index seen northward journey throughout the month with gain of more than 4% in July. Other side geopolitical tension as well central banks buying continue to offer support at lower level. 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.

US Nonfarm payrolls, a gaunge to interest rates decision, shows U.S. economy maintained a moderate pace of job growth in July, but solid wage gains and a decline in the unemployment rate pointed to continued tightness in labor market conditions. Nonfarm payrolls increased by 187,000 jobs last month against Economists polled by Reuters had forecast a gain of 200,000 jobs and data for June was revised lower to show 185,000 jobs added instead of the previously reported 209,000. The economy needs to create roughly 100,000 jobs per month to keep up with growth in the working-age population. Despite the moderation in job growth, the labor market remains tight. The unemployment rate fell to 3.5% from 3.6% in June, dropping back to levels last seen more than 50 years ago. That is well below the Fed's latest median estimate of 4.1% by the fourth quarter of this year. The government reported this week that there were 1.6 job opening for every unemployed person in June, little changed from May.

U.S. job openings fell to the lowest level in more than two years in June, but remained at levels consistent with tight labor market conditions despite hefty interest rate increases from the Federal Reserve to dampen demand. Job openings, a measure of labor demand, dropped 34,000 to 9.582 million on the last day of June, the lowest level since April 2021, the Labor Department said in its monthly Job Openings and Labor Turnover Survey, or JOLTS report.

U.S. annual inflation logged its smallest increase in more than two years in June, as PCE price index rises 0.2% in June; up 3.0% year-on-year, In the 12 months through June, the

PCE price index advanced 3.0%. That was the smallest annual gain since March 2021 and followed a 3.8% rise in May. while Core PCE price index climbs 0.2%; gains 4.1% year-on-year. the employment cost index, the broadest measure of labor costs, rose 1.0% in the second quarter. That was the smallest increase since the second quarter of 2021 and followed a 1.2% advance in the January-March period. Labor costs increased 4.5% on a year-on-year basis after shooting up 4.8% in the first quarter.

Fitch Ratings cut its rating on U.S. long-term foreign-currency debt by one notch to 'AA+', citing fiscal deterioration over the next three years and repeated debt ceiling negotiations that threaten the government's ability to pay its bills.

US private payroll rose by 324,000 jobs last month, the ADP National Employment report showed, more than an increase of 189,000 that economists polled by Reuters had forecast.

US FED – The US FED and the ECB delivered quarter-percentage-point rate increases this week, as expected, and left open the option of further hikes if inflation didn't continue a decline that has started to come faster than predicted on both sides of the Atlantic. Meanwhile, the Bank of Japan opened the debate on plans to bring its ultra-loose policies to an end.

The Bank of England raised its key interest rate by a 0.25% point to a 15-year peak of 5.25%, and gave a new warning that borrowing costs were likely to stay high for some time. The MPC will ensure that Bank Rate is sufficiently restrictive for sufficiently long to return inflation to the 2% target," the BoE said in new guidance about the outlook for rates. "Some of the risks of more persistent inflationary pressures may have begun to crystallise," it added. British inflation hit a 41-year high of 11.1% last year and has fallen more slowly than elsewhere, dropping to 7.9% in June, and the highest of any major economy. The BoE forecast inflation would fall to 4.9% by the end of this year - a faster decline than it had predicted in May. However, the BoE forecasts inflation will be slightly slower to fall from late next year. Inflation does not return to its 2% target until the second quarter of 2025, three months later than it forecast in May. The European Central Bank raised interest rates for the ninth consecutive time but dialled up the possibility of a pause next month as stubbornly high inflation and recession worries pull policymakers in opposing directions. With Thursday's 25 basis point move, the ECB's deposit rate stands at 3.75%, its highest level since 2000, before euro banknotes and coins were even in circulation. The main refinancing rate was set at 4.2

The U.S. economy grew faster than expected in the second quarter as labor market resilience supported consumer spending Gross domestic product increased at a 2.4% annualized rate last quarter. The economy grew at a 2.0% pace in the January-March quarter. Economists polled by Reuters had forecast GDP rising at a 1.8% rate in the April-June period. The government's measure of inflation in the economy, the price index for gross domestic purchases, increased at a 1.9% rate, slowing from the 3.8% pace logged in the first quarter. Excluding food and energy, prices rose at a 2.6% pace following a 4.2% rate of increase in the first quarter. Business investment picks up on equipment rebound. Consumer spending, which accounts for more than two-thirds of U.S. economic activity, increased at a 1.6% pace. Though the pace of growth slowed from the first quarter's robust 4.2% rate,

On data side, New orders for U.S.-made goods surged in June, as Factory orders increased 2.3% after rising 0.4% in May and against economists polled by Reuters had forecast orders would accelerate 2.2%. Orders advanced 0.9% on a year-on-year basis in June. US ISM manufacturing PMI contracted for the ninth straight month in July, the longest such stretch since the 2007-2009 Great Recession. South Korea's consumer inflation cooled more than expected in July to its slowest in 25 months, supporting market views that the monetary tightening cycle was over contrary to the central bank's hawkish rhetoric. British house prices fell by the most since 2009 in the 12 months to July, mortgage lender Nationwide said, as the drag from rising interest rates on the housing market intensified. Compared with July last year, the average house price was down 3.8% after a 3.5% annual fall in June. U.S. consumer confidence increased to a two-year high in July amid a persistently tight labor market and receding inflation, as U.S. consumer confidence increased to a two-year high in July amid a persistently tight labor market and receding inflation. Consumers' 12-month inflation expectations slipped to 5.7%, the lowest reading since November 2020, from 5.8% last month. U.S. business activity slowed to a five-month low in July, dragged down by decelerating service-sector growth, as S&P Global said its flash U.S. Composite PMI index, which tracks manufacturing and service sectors, fell to a reading of 52 in July from 53.2 in June. July's reading showed the 6th straight month of growth but was restrained by softening conditions in the service sector. The services activity index fell to 52.4 from 54.4 in June and was weaker than the reading of 54 expected among economists in a Reuters poll. U.S. retail sales rose less than expected in June, as Retail sales increased 0.2% in June month. Data for May was revised higher to show sales gaining 0.5% instead of 0.3% as previously reported. Core retail sales correspond most closely with the consumer spending component of gross domestic product.

The World Gold Council (WGC) reported that in the second quarter of 2023, global gold demand outside of over-the-counter (OTC) trade decreased 2% year over year to 920.7 metric tonnes as central banks delayed their purchases and consumption by the technology sector remained low. Other side, central bank gold purchases declined by 2% year-over-year in the first half of 2023 and the decline was driven by a number of factors, including higher interest rates and the cost of gold. According to the World Gold Council (WGC), retail purchases of gold in India could decline 10% from a year ago to their lowest level in three years in 2023 as a result of record high prices.

Central banks added a whopping 1,136 tonnes of gold worth some $70 billion to their stockpiles in 2022, by far the most of any year since 1967, the World Gold Council (WGC) said. The central bank purchases took total gold global gold demand last year to 4,741 tonnes, up 18% from 2021 and the highest for any year since 2011.

Separately, S&P Global projected the Indian economy to grow by an average annual rate of 6.7% to March 2031, driven by manufacturing and services exports and consumer demand, despite short-term challenges from rate hikes and a global slowdown. S&P retained its earlier forecast of 6% growth for the current fiscal year ending March 2024, noting even at this rate, India will be the fastest growing economy in the G20. also to be noted that, Last month, the International Monetary Fund raised its growth forecast for India by 0.2 percentage points to 6.1% for the current fiscal year, while the central bank has forecast 6.5% rise. S&P Global expects the size of the economy to reach $6.7 trillion from $3.4 trillion in fiscal 2023, which could see per capita GDP rise to about $4,500. The Indian consumer market will more than double by 2031, surging to $5.2 trillion from $2.3 trillion in 2022, driven by rise in household incomes and higher spending on food and other items.

India the world's second-biggest gold buyer, gold demand in 2023 could fall 10% from a year ago to their lowest in three years, as record high prices are dampening retail purchases, the World Gold Council (WGC) said. Demand could fall to 700 metric tons in 2023 from 774.1 metric tons a year ago. Indian gold consumption in the April-June quarter fell 7% to 158.1 metric tons, as both jewellery and investment demand dropped due to a rally in local prices , which hit a record high of 61,845 rupees per 10 grams in the quarter, the WGC said. In the June quarter, scrap supplies jumped 61% from a year ago to 37.6 metric tons, the highest in nearly 3 years, the data showed.

On domestic Data update, India's dominant services sector expanded at its fastest pace in 13 years last month as demand increased significantly despite elevated inflationary pressures, a business survey showed. Growth in India's manufacturing activity eased in July for a second month, with some moderation in output and new orders, although the pace of expansion remained healthy, a private business survey showed. The Manufacturing PMI, compiled by S&P Global, dipped to 57.7 last month from June's 57.8 but was slightly higher than the Reuters poll expectation for 57.0. Still, the reading marked over two years of the index being above the 50-mark, which separates expansion from contraction.

India's infrastructure output expanded 8.2% year-on-year in June, its fastest pace in five months, as the sector was buoyant, government data showed. India's fiscal deficit for the April-June 23 touched 4.51 trillion Indian rupees ($54.86 billion), 25.3% of annual estimates, government data showed. April-June net tax receipts were 4.3 trillion rupees, or 18.6% of the annual estimate, lower than 5.06 trillion rupees in the same period last year, according to the data. India's annual wholesale prices fell for the third successive month in June, mainly due to lower fuel and power prices, the WPI in June fell 4.12%, at the lowest level since September 2015 and compared with a 3.60% decline estimated by economists in a Reuters poll. In May, it dropped 3.48%.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

India is likely to receive below-average rainfall in August due to the El Nino weather pattern, a senior weather department official said, after an above-average monsoon in July helped farmers accelerate crop planting. Rainfall in August is estimated at 92% of the long-period average, Mrutyunjay Mohapatra, director-general of the India Meteorological Department (IMD), told a virtual press conference. Rainfall in India in June was 9% below average, but in some states, the rainfall deficit was as much as 60% below normal. July monsoon rains were 13% above average, and between June 1 and July 31, India experienced monsoon rains that were 5% above average. Despite estimates of lower rainfall next month, the country's cumulative rainfall in August and September - the last two months of the season - could be average, Mohapatra said.

India restricted imports on plain gold jewellery, as the world's second-largest consumer of the precious metal tries to plug loopholes in its trade policy. Import of articles of gold have been put under the restriction category from the free category, a government notification said, adding that import under the India-United Arab Emirates Comprehensive Economic Partnership Agreement would be allowed without any license.

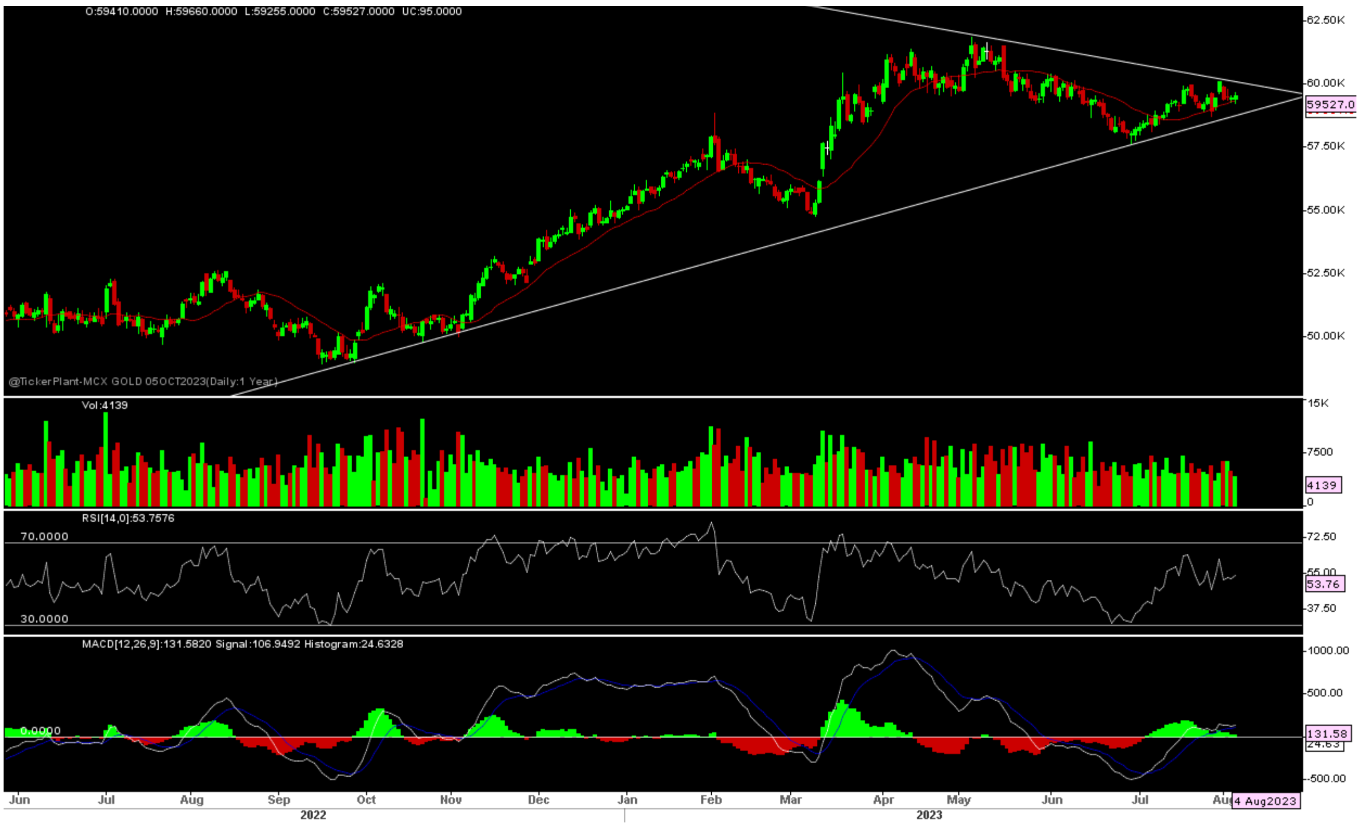
The IMF in its latest World Economic Outlook raised its 2023 global growth estimates slightly given resilient economic activity in the first quarter, but warned that persistent challenges were dampening the medium-term outlook. The global lender said it now projected global real GDP growth of 3.0% in 2023, up 0.2 percentage point from its April forecast, but left its outlook for 2024 unchanged, also at 3.0%. The 2023-2024 growth forecast remains weak by historical standards, well below the annual average of 3.8% seen in 2000-2019, largely due to weaker manufacturing in advanced economies, and it could stay at that level for years. The IMF forecast that global headline inflation would fall to 6.8% in 2023 from 8.7% in 2022, dropping to 5.2% in 2024, but core inflation would decline more gradually, reaching 6.0% in 2023 from 6.5% in 2022 and easing to 4.7% in 2024. The IMF said world trade growth is declining and will reach just 2.0% in 2023 before rising to 3.7% in 2024, but both growth rates are well below the 5.2% clocked in 2022.

Going ahead, Gold price moves will continue to be dictated by the Fed’s response to bubbling inflation in 2023. Due to the IMF's revised global GDP prediction, reducing inflation, the halt in interest rate hikes, the weakening dollar, and China's reopening, the global commodities market is anticipated to exhibit a mixed trend in 2023, and the global economy is currently experiencing a slowdown. This is likely to have a mixed effect on the commodities market as well Bullion.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

<u>Technical Outlook</u>:

<u>On the Daily Chart MCX:</u>



Sources – Ticker Plant and Bonanza Research

In COMEX GOLD is trading at $1940

Expected support and Resistance level for the month

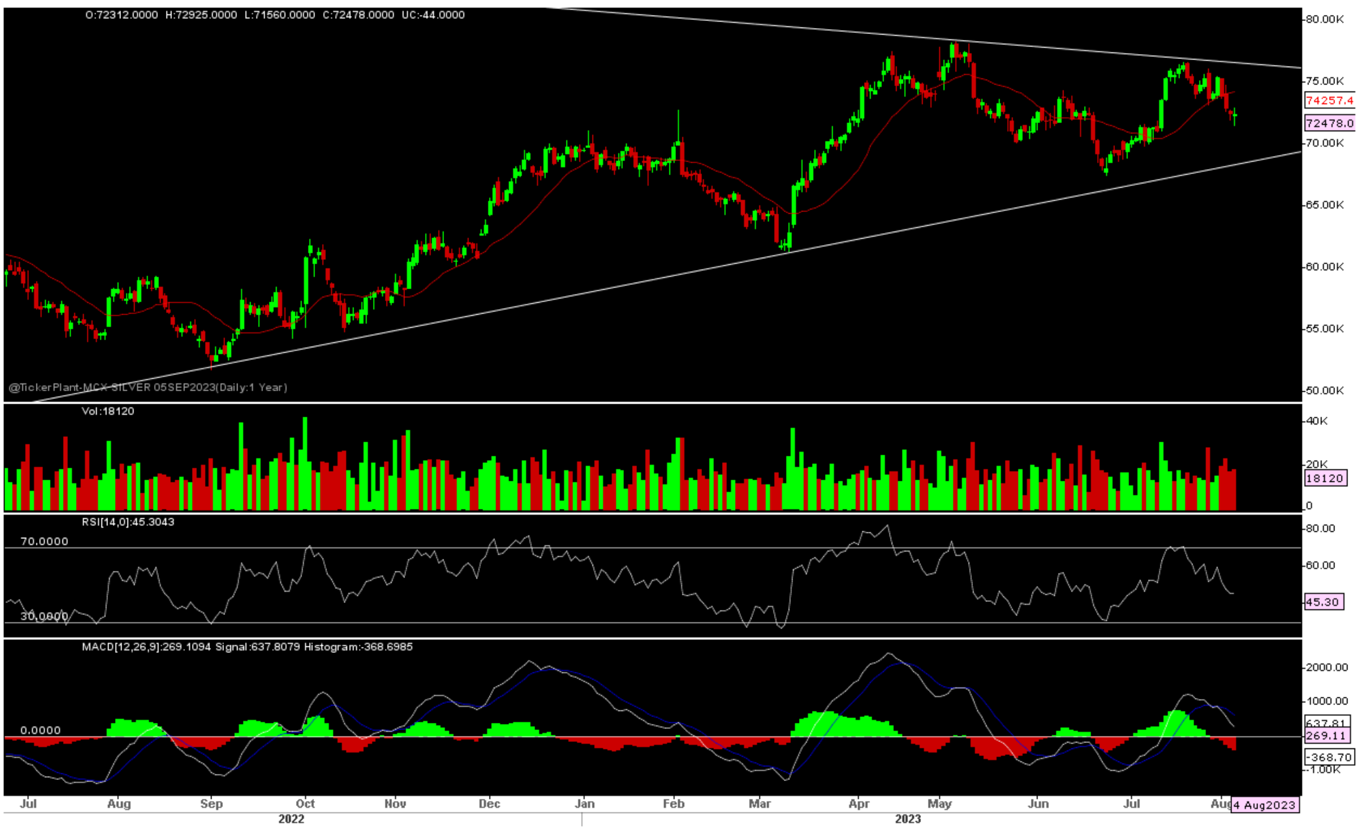
Gold	S1	S2	R1	R2
COMEX/DG CX ($)	1890	1850	1990	2050
MCX (Rs.)	59100	58500	60350	60700

Mcx Trend seen Bullish as long S1 hold, while Sustain close below 59100 seen prices towards S2.

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 ($)	23.0	22.0	25.30	26.20
MCX (Rs.)	71000	69900	75500	76700

MCX trend seen Bullish as long hold S1, While Sustain above 75500 seen Sharp Rally towards R2.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex register a consecutive 2nd monthly gain in July with gain of more than 14% for brent oil, biggest monthly percentage gain since January last year, as tight supply and rising demand outweighed concern that interest rates hikes and stubborn inflation could hit economic growth. production cut announce by OPEC+ and later on extend in voluntary cut announce by Saudi as which might resulted in supply disturbance during H2-2023 and hope of economic recovery at top consuming countries including China after more stimulus likely to announce in coming months resulted in lower level buying and prices end month near high of July. However, still consent of inflation which might not cool sooner than expected and recession fear check prices at higher level.

Saudi Arabia said it would extend its voluntary oil output cut of one million barrels per day (bpd) for another month to include September, adding that the cut could be extended beyond that month. Shortly after the Saudi announcement, Russian Deputy Prime Minister Alexander Novak said Moscow would cut its oil exports by 3,00,000 barrel per day in August. OPEC+ already has in place cuts of 3.66 million bpd, amounting to 3.6% of global demand, including 2 million bpd agreed last year and voluntary cuts of 1.66 million bpd agreed in April and extended to December 2024. OPEC+, which groups the OPEC and allies led by Russia, pumps around 40% of the world's crude.

Latest OPEC+ MEET shows ministerial panel which met on Friday made no changes to the group's current oil output policy after a Saudi decision to extend its voluntary production cut into September helped oil prices rally further. OPEC+ agreed on a broad deal to limit supply into 2024 at its last policy meeting in June, and Saudi Arabia pledged a voluntary production cut for July that it extended to include August. The group's output cuts, excluding the additional voluntary reductions from the three producers, amount to 3.66 million bpd, roughly 3.6% of global demand. The JMMC will hold its next meeting on Oct. 4.

OPEC has pumped 27.34 mbpd in July, down 0.84 mbpd from June and the lowest output since September 2021, according to a Reuters survey. Saudi Arabia lowered output by 860,000 bpd m/m. The second-biggest decline was in Nigeria where Shell suspended loadings of Forcados crude due to a potential leak at the export terminal. Libyan output edged lower due to a brief stoppage at some fields due to a protest.

The Indian government has hiked windfall tax on petroleum crude to 4,250 Indian rupees ($51.68) per tonne from 1,600 Indian rupees with effect from Aug. 1. A windfall tax on diesel has been increased to 1 rupee per litre from nil earlier while for petrol and aviation turbine fuel it has been left unchanged, according to a government notification.

India will soon overtake China as the largest driver of global oil demand, International Energy Agency (IEA) chief Fatih Birol said. One of the reasons why we say this is that electrification of cars and buses in China is growing rapidly. The Paris-based energy agency said in its outlook report released earlier that about three quarters of the 2022-28 demand growth increase will come from Asia, with India surpassing China as the main source of growth by 2027.

Separately, U.S. crude exports have averaged 4.08 million barrels per day so far in 2023, up from an average of 3.53 million bpd in 2022, according to the EIA. U.S. crude oil and petroleum products supplied, a proxy for demand, rose to 20.78 million barrels per day (bpd) in May, the highest since August 2019 before the coronavirus pandemic decimated global energy demand, Energy Information Administration data showed. Product supplied of finished motor gasoline rose in May to 9.11 million bpd, the highest since June 2022. Meanwhile, U.S. field production of crude oil fell to 12.66 million bpd in May, the lowest since February..

OPEC in its latest monthly report, raised its forecast for oil demand growth for 2023 and predicted only a slight slowdown in 2024 despite economic headwinds as China and India continue to drive the expansion in fuel use. OPEC raised its forecast for oil demand growth for 2023 and predicted only a slight slowdown in 2024 despite economic headwinds as China and India continue to drive the expansion in fuel use. Also in the report OPEC raised its 2023 demand growth forecast by 90,000 bpd from last month. OPEC forecast world economic growth of 2.5% next year compared with 2.6% in 2023, assuming "general inflation" eases in the second half and in 2024. It also assumes key interest rates will peak by the end of 2023. OPEC expects non-OPEC supply to rise by 1.4 million bpd, lagging demand growth and the same rate as 2023. As a result, OPEC forecast the world will need 30.2 million bpd in 2024 from its members to balance the market, up 800,000 bpd from 2023. The report showed OPEC production rose by 91,000 bpd to 28.19 million bpd in June, led by Iran and Iraq. Iran is one of the OPEC members exempt from cutting output.

Oil demand is set to hit a record high this year and the market is tightening but economic headwinds and interest rate hikes have deflated growth expectations slightly, the International Energy Agency (IEA) said in its monthly oil report. While demand is expected to reach 102.1 million barrels per day (bpd), the Paris-based energy watchdog lowered its forecast for growth of the first time this year, by 220,000 barrels per day (bpd), to 2.2 million bpd. China is due to make up more than two-thirds of this year's demand growth as its post-pandemic economic rebound is set to gain pace, especially later in the year, the IEA said. Oil demand growth is set to halve next year to 1.1 million bpd, the IEA said, reflecting vehicle electrification and energy efficiency, though it raised its view from a 860,000 bpd rise it forecast last month.

The U.S. Energy Information Administration (EIA) cut its forecast for 2023 U.S. crude oil production by 50,000 barrels per day, as Crude oil production is expected to rise 670,000 barrels per day (bpd) to 12.56 million bpd this year, less than a prior forecast calling for a gain of 720,000 bpd, the EIA said on Tuesday in its Short Term Energy Outlook. The production cuts by OPEC+ were expected to lower global oil inventories in each of the next five quarters and boost global oil prices in late-2023 and early-2024, the EIA said previously.

China's crude oil imports in June jumped 45.3% on the year to the second-highest monthly figure on record, customs data showed, with refiners building up inventories despite tepid domestic demand. Crude imports in June totaled 52.06 million metric tons, or 12.67 million barrels per day (bpd). It was a substantial increase on the 8.72 million bpd imported in June last year, when the economy was battered by widespread COVID-19 lockdowns. Crude imports also held their upward momentum on a month-on- month basis, up 4.58% from May's 12.11 million bpd. Total imports for the first half were 282.07 million metric tons, up 11.7% from 252.52 million in the corresponding period last year.

In its latest weekly inventory data from the U.S. EIA shows, U.S. crude stocks, gasoline and distillate inventories fell last week, the Energy Information Administration said on Wednesday. Crude inventories fell by 600,000 barrels in the last week to 456.8 million barrels, compared with analysts' expectations in a Reuters poll for a 2.3 million-barrel drop. Refinery utilization rates fell by 0.9 percentage points in the week. U.S. gasoline stocks fell by 786,000 barrels in the week to 217.6 million barrels, the EIA said, compared with analysts' expectations in a Reuters poll for a 1.7 million-barrel drop. Distillate stockpiles which include diesel and heating oil, fell by 245,000 barrels in the week to 117.9 million barrels, versus expectations for a 301,000-barrel drop, the EIA data showed. Net U.S. crude imports fell by 1.58 million barrels per day, EIA said.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

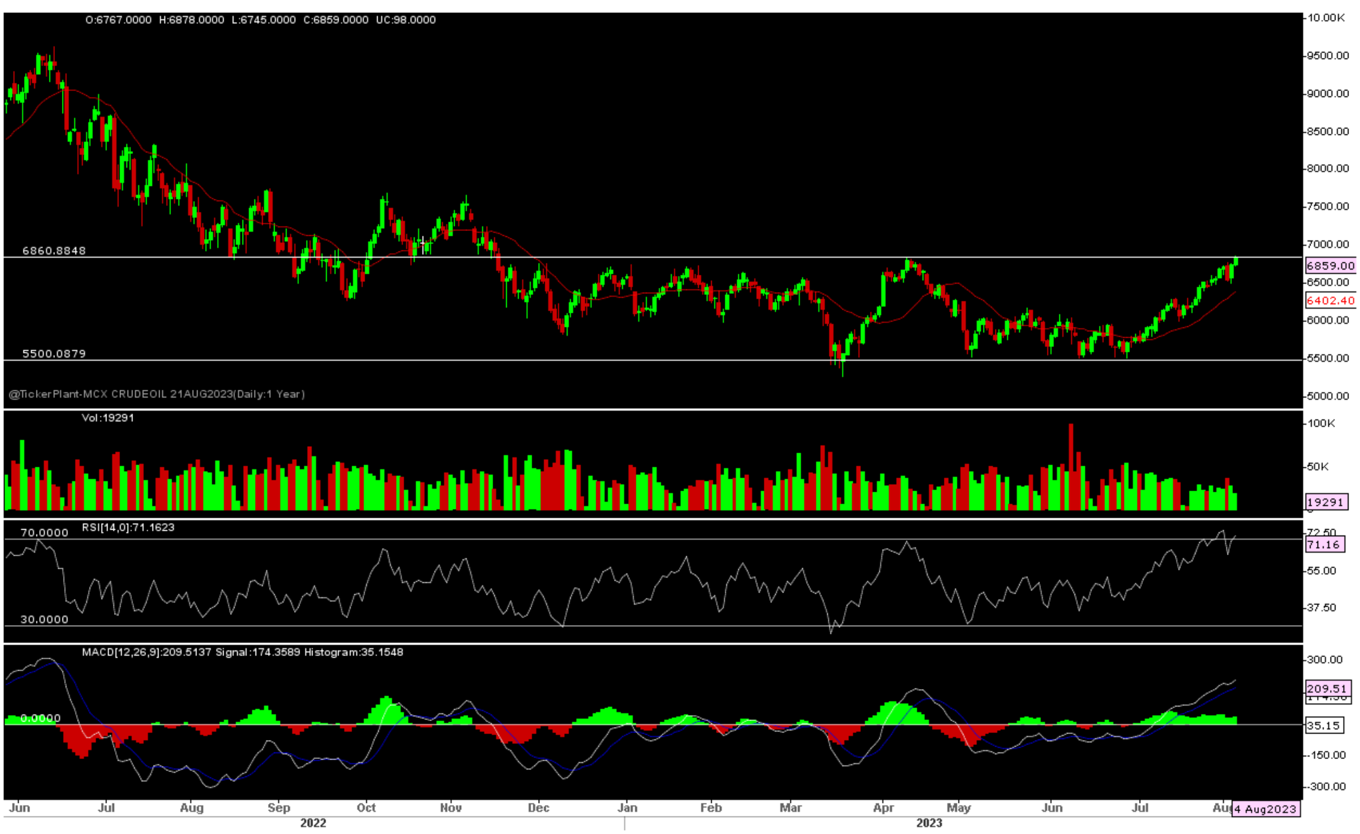
India, the world's third-biggest oil consumer and importer,

The Biden administration has pulled an offer to buy 6 million barrels of oil for the Strategic Petroleum Reserve, an Energy Department spokesperson said, as oil prices are expected to keep rising after a output cut from Saudi Arabia. The U.S. made the latest solicitation to buy the sour crude oil for the SPR on July 7. After the administration released a record 180 million barrels from the reserve last year to control prices after Russia's invasion of Ukraine, the Energy Department has bought back 6.3 million barrels in recent months.

Going ahead, Oil prices are set for small gains in 2023 as a darkening global economic backdrop and COVID-19 flare-ups in China threaten demand growth and offset the impact of supply shortfalls caused by sanctions on Russia. It is to be expected that oil demand will grow significantly in the second half of 2023, driven by the easing of COVID-19 restrictions in China and by central banks adopting a less aggressive approach on interest rates.

Technical Outlook:-

On the Daily Chart MCX:



Sources – Ticker Plant and Bonanza Research

Expected Support and Resistance level for the month

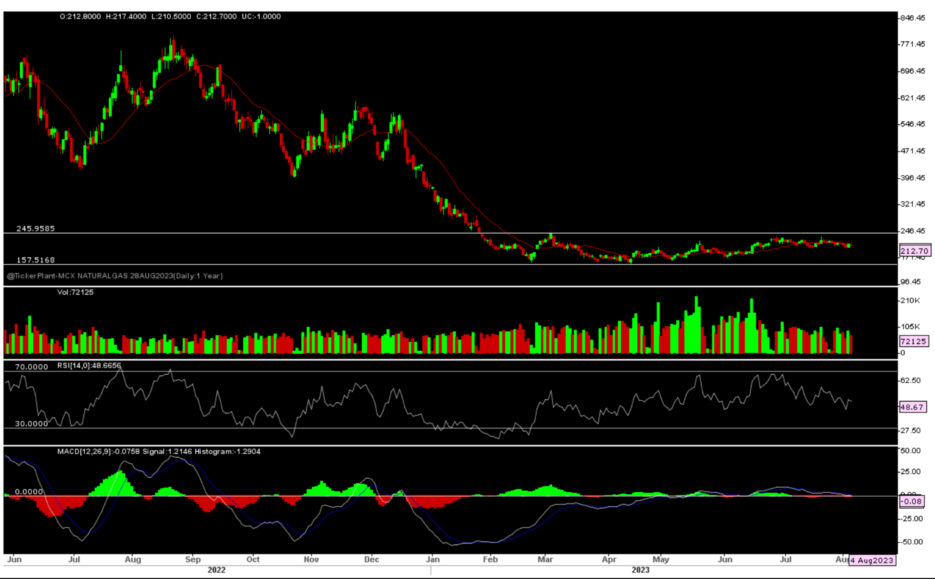
Crude	S1	S2	R1	R2
NYMEX/DG CX ($)	78.0	73.50	84.0	94.0
MCX (Rs.)	6500	6000	6900	7200

MCX trend seen Bullish as long hold S1, While Sustain Close below 6500 seen towards 6200-6000.

Natural Gas

Technical Outlook:

On the Daily Chart MCX:



Sources – Ticker Plant and Bonanza Research

Natural Gas	S1	S2	R1	R2
MCX (Rs.)	204	190	228	242

MCX trend seen Bullish as long hold S1, While Sustain Close below 204 seen towards 198-190 belt.

Base Metals

Market Outlook and Fundamental Analysis

COPPER:

Base metal complex seen a northward journey though out the July month except some profit booking seen in 3rd week but recover smartly and manage to end month at highest point for July thanks to stimulus expectations expected from China to revive economy after weak economic data added by fall in dollar index resulted in short covering and lower label buying makes index gain more than 4.5%. however, gain capped by weak manufacturing numbers from US, Europe as well China and recession fear which hurt demand for base metals restrict prices at higher side but likely end of US FED rate increasing cycle and supply disturbance offer support at every dip. Benchmark Copper & Zinc rose more than 5% while Aluminum and Lead gain 4% and 1% respectively.

Latest number from top metal consumer China shows, China Caixin PMI slipped into contraction in July to 49.2 from 50.5 in June owing to slower output and weaker demand. According to data from the National Bureau of Statistics, China's official manufacturing PMI rose to 49.3 in July from 49 in June but remained in contraction for fourth consecutive month in July while nonmanufacturing PMI eased to 51.5 from 53.2 in June. official surveys showed, threatening growth prospects for the third quarter. China on Monday released further policy guidelines but no concrete measures to boost its economy. Beijing and Shenzhen said over the weekend that they would implement measures to better meet homebuyers's needs, without giving details.

Chile's state miner, Codelco, cut its copper output forecast for 2023 and said it expects more halts in production during the second half of the year, following months of declines. The miner expects to have a yearly production of between 1.31 million-1.35 million metric tons from 1.35 million-1.45 million tons previously forecast. Codelco, whose production fell to its lowest level in a quarter-century last year, has faced a series of adverse weather and operational problems, including the death of a contract worker at El Teniente in June. Chile is the world's top copper-producing country and No. 2 for lithium, key to powering the booming electric vehicle industry, though Codelco does not mine any lithium.

China will lower financing costs for firms, stabilise market expectations and support the property sector in coming months, the central bank said amid a flagging economic recovery. China will also pay close attention to cross-border capital fluctuations, keep the yuan basically stable and step up support for firms to hedge exchange rate risks, the PBOC statement said.

The London Metal Exchange should reconsider a decision not to ban Russian aluminium from its warehouse network as large volumes are jeopardising the benchmark status of its contract, producer Norsk Hydro said in a letter eelier. Russian aluminium amounted to 80% of available aluminium inventories in LME registered warehouses in June compared with 68% in May, 41% in January and less than 18% last October. In the letter, seen by Reuters, the Norwegian aluminium producer asked the world's largest and oldest forum for trading metals to reconsider its decision last November to keep Russian aluminium in the LME system. The LME said that it would continue to reflect all relevant government sanctions and tariffs, and monitor for any market orderliness concerns in respect of Russian metal.

Global factory activity remained in a slump in July, private surveys showed, a sign slowing growth and weakness in China were taking a toll on the world economy, though the picture in the Americas was notably less bleak than elsewhere. S&P Global's gauge of worldwide manufacturing activity held steady at 48.7 in July, matching the lowest level since June 2020, with subindices of factory output and new orders both slipping to six-month lows. A reading below 50 marks a contraction in activity. Euro zone factory activity contracts sharply in July, while China's July private PMI marks first fall since April, also Factory activity in Japan, South Korea contract and US, Canada activity stabilizes against Mexico hits 7-year high.

The International Copper Study Group (ICSG) has forecast that copper demand will grow by 2.8% in 2023, down from 3.8% in 2022. The ICSG said that the tight supply situation is due to a number of factors, including the closure of some mines in Chile and the ongoing labor strikes in Peru.

Chilean state copper company Codelco said it would partner with Anglo-Australian miner Rio Tinto to explore a copper deposit in northern Chile. Rio Tinto currently partners with BHP, another Australian miner, at Chile's Escondida mine, the largest copper deposit in the world.

The United States has imposed sanctions on Russian major copper producer Ural Mining And Metallurgical Company (UMMC) as a measure to "reduce Russia's revenue from the metals and mining sector," the Treasury and State departments said. Washington, along with Western allies, has imposed sanctions on hundreds of Russian companies and individuals since Moscow invaded Ukraine in 2022. On 20-7, it added nearly 120 individuals and entities to the list. UMMC has not disclosed its copper output in recent years. As of 2020, it was producing around 40% of Russian copper, broadly in line with its peer Nornickel, which has not been targeted by the Western sanctions so far. The London Metal Exchange (LME), restricted new copper deliveries from UMMC after Britain sanctioned its controlling shareholder in 2022. As of June, when copper inventories in LME-registered warehouses saw large cancellations, the proportion of Russian-origin in the available stocks climbed to 66% from 33% in May. However, the actual amount of Russia-made copper in the inventories fell to 22,750 metric tons last month from 29,600 in May, and the total available stocks have risen since then.

China's economy grew at a frail pace in the second quarter as demand weakened at home and abroad, as GDP grew just 0.8% in April-June from the previous quarter, on a seasonally adjusted basis, versus analysts' expectations in a reuters poll for a 0.5% increase and compared with a 2.2% expansion in the first quarter. On a year-on-year basis, GDP expanded 6.3% in the second quarter, accelerating from 4.5% in the first three months of the year, but the rate was well below the forecast for growth of 7.3%. The latest data raises the risk of China missing its modest 5% growth target for 2023. Private fixed-asset investment shrank 0.2% in the first six months, a sharp contrast to the 8.1% growth in investment by state entities, suggesting weak private business confidence. China's economy grew just 3% last year due to COVID curbs, badly missing the official target.

Global miner Anglo American said its first-half copper production surged 42%, underpinned by the ramp-up of its Quellaveco mine operations in Peru. Copper production rose to 387,200 metric tons in the first half from 273,400 metric tons a year before, it said. Anglo expects to reach between 840,000 and 930,000 metric tons of copper production this year.

Zinc rallied the most today as it got additional boost from increase in LME Cancelled warrants or orders to withdraw zinc in exchange warehouses to one year high of 35,150 tonnes.

Going ahead, Spiralling inflation, COVID lockdowns in top consumer China and aggressive interest rate rises are behind economic weakness and dwindling demand growth for industrial metals such as copper, used in the power and construction industries.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

Base Metals

TECHNICAL OUTLOOK:

COPPER:

Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level for the month

Copper	S1	S2	R1	R2
MCX	721	705	758	770

MCX trend seen Bullish as long hold S1, While Sustain below 721 seen towards 705-702 belt.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

LEAD:

Technical Outlook:

Sources – Ticker Plant and Bonanza Research

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	182	180	186	190

MCX trend seen Bullish as long hold S1 while Sustain Close above 186 seen 190-192 belt.

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

ZINC

TECHNICAL OUTLOOK:

Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	219	212	229	235

MCX trend seen Bullish as long hold S1, While Only Sustain above 229 seen medium term Uprally.

NICKEL

TECHNICAL OUTLOOK:

No View due to Low Volumes

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

BONANZA RESEARCH TEAM

Technical Research Analyst

Vibhu Ratandhara

BONANZA COMMODITY BROKERS PVT. LTD.

DATE-Aug 4th, 2023

Disclosure:

M/s. Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The Analysts engaged in preparation of this Report or his/her relative: - (a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report. The Analysts engaged in preparation of this Report:- (a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c)have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

M/s. Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No. INH100001666 and research analyst engaged in preparation of report

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

Disclaimer:

This research report has been published by M/s. Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of M/s. Bonanza portfolio Ltd shall be liable. Research report may differ between M/s. Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the Subject Company or third party in connection with the research report

M/s. Bonanza Portfolio Ltd at Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: https://www.bonanzaonline.com

SEBI Regn. No.: INZ000212137

MONTHLY BULLETIN (RESEARCH) Date 4th Aug 2023

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186