MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

GOLD

Market Outlook and Fundamental Analysis:

Bullion register first monthly gain of this year with Gold gain almost 4% & silver rally 6% thanks to weakness in dollar & softening in US yield resulted & increasing Covid risk at some part of Asian countries resulted in safe haven buying at lower level. However, at end of the month price set for their worst week in a month, as U.S. Treasury yields gained on strong economic data and dented the non-yielding metal's appeal, while palladium came off the record high marked in the previous session. Palladium hitting an all-time high of $2,981.99 on last week of the month and was on track to post its third consecutive weekly and monthly gain as well.

China, the world's biggest gold consumer, its 2021 gold demand will see annual growth and will revert to pre-pandemic levels if there are no dramatic changes to the global economic and geo-political situation, a World Gold Council (WGC) official said. Also, it has given domestic and international banks permission to import large amounts of gold into the country, sources familiar with the matter said.

Meanwhile, more than 149.67 million people have been reported to be infected by the novel corona virus globally and 3,290,675have died, according to a Reuters tally.

In latest meet, US Federal Open Market Committee held interest rates and its bond-buying program steady after its two-day policy meet despite taking a rosier view of the U.S. economic recovery. Fed Chair Jerome Powell also said the coming price increases would almost surely be of a passing nature, and not present the sort of persistent problem that would force the central bank to begin raising interest rates sooner than expected.

U.S. economic growth accelerated in the first quarter, fueled by massive government aid to households and businesses, charting the course for what are expected to be the strongest performance this year in nearly four decades. GDP increased at a 6.4% annualized rate last quarter, the government said in its advance estimate for the first three months of the year. That followed a 4.3% growth rate in the fourth quarter. It was the biggest first-quarter increase in growth since 1984. Economists polled by Reuters had forecast GDP growth would increase at a 6.1% pace in the January-March period.

The Bank of England slowed the pace of its trillion dollar stimulus program and forecast a faster recovery for Britain from the corona virus slump on Thursday, but stressed it was not tightening monetary policy. The central bank said it would reduce the amount of bonds it buys each week to 3.4 billion pounds, down from a current pace of 4.4 billion pounds a week. The BoE raised its forecast for British economic growth in 2021 to 7.25% from a previous estimate of 5.0% made in February.

Other side, U.S. President Joe Biden plans to unveil a sweeping $1.8 trillion package for families and education in his first speech to Congress. Gold tends to benefit from widespread stimulus measures from central banks because it is viewed as a hedge against inflation.

Latest data shows, The U.S. trade deficit jumped to a record high in March amid roaring domestic demand, which is drawing in imports, and the gap could widen further as the nation's economic activity rebounds faster than its global rivals. New orders for U.S.-made goods rebounded in March and business spending on equipment was stronger than initially estimated, boosted by robust domestic demand, though momentum could slow because of bottlenecks in the supply chain. The Commerce Department said on Tuesday that factory orders increased 1.1% in March after falling 0.5% in February. Economists polled by Reuters had forecast factory orders rebounding 1.3%. Orders rose 6.6% on a year-on-year basis. UK manufacturing activity grew at the fastest pace in almost 27 years last month, amid supply chain delays and shortages of raw materials, as businesses tried to make up for ground lost during the corona virus pandemic. U.S. manufacturing activity grew at a slower pace in April, restrained by shortages of inputs as rising vaccinations against COVID-19 and massive fiscal stimulus unleashed pent-up demand. U.S. construction spending rebounded far less than expected in March as strength in housing was offset by continued weakness in outlays on nonresidential structures and public projects. U.S. consumer spending rebounded in March amid a surge in income as households received additional COVID-19 pandemic relief money from the government, building a strong foundation for a further acceleration in consumption in the second quarter. The euro zone economy dipped into a second technical recession after a smaller than expected contraction in the first quarter, but is now firmly set for recovery as pandemic curbs are lifted amid accelerating vaccination campaigns.

India's gold consumption is expected to falter in the June quarter as various states are imposing lockdowns to arrest rising COVID-19 cases, dampening the celebration of weddings and key festivals, the World Gold Council (WGC) said. Over the year, gold demand could be higher in 2021 than last year's 446.4 tonnes, which was the lowest since 1994, it said. India' demand for gold jumped 37% from a year ago to 140 tonnes in the March quarter, while gold imports soared 262% year-on-year, the WGC said in a report published on Thursday.

US Nonfarm payrolls, a gauge for economy & interest rates, Nonfarm payrolls increased by only 266,000 jobs last month. Data for March was revised down to show 770,000 jobs added instead of 916,000 as previously reported. Economists polled by Reuters had forecast payrolls would advance by 978,000 jobs. U.S. job growth unexpectedly slowed in April, likely restrained by worker shortages that have left businesses scrambling to meet booming demand as the economy reopens amid rapidly improving public health and massive financial help from the government. US nonfarm productivity, which measures hourly output per worker, increased at a 5.4% annualized rate last quarter. Data for the fourth quarter was revised higher to show productivity falling at a 3.8% rate instead of the previously reported 4.2% pace. U.S. private payrolls increased in April as companies rushed to boost production amid a surge in demand, suggesting the economy gained further momentum early in the second quarter, powered by massive government aid and rising vaccinations against COVID-19.

In it s latest meet, The European Central Bank left policy unchanged as expected and will keep copious stimulus flowing. While the recovery in global demand and the sizeable fiscal stimulus are supporting global and euro area activity, the near-term economic outlook remains clouded by uncertainty about the resurgence of the pandemic and the roll-out of vaccination campaigns.

On data side, U.S. factory activity powered ahead in early April, though manufacturers increasingly struggled to source raw materials and other inputs as a reopening economy leads to a boom in domestic demand, which could slow momentum in the months ahead. The flow of strong economic data continued with another report showing new home sales racing to a more than 14-1/2-year high in March. Sales of new U.S. single-family homes rebounded more than expected in March, likely boosted by an acute shortage of previously owned houses on the market. The economy is being boosted by the White House's massive $1.9 trillion COVID-19 pandemic rescue package and increased vaccinations against the virus. U.S. home sales fell to a seven-month low in March, pulled down by an acute shortage of properties, which is boosting prices and making owning a house more expensive for some first-time buyers. U.S. homebuilding surged to nearly a 15-year high in March, but soaring lumber prices amid supply constraints could limit builders' capacity to boost production and ease a shortage of homes that is threatening to slow housing market momentum. U.S. consumer prices increased by the most in more than 8-1/2 years in March and underlying inflation picked up as more parts of the economy reopened thanks to increased vaccinations and massive fiscal stimulus.

On domestic Data update, Growth in India's dominant services sector eased to a three-month low in April but remained unexpectedly resilient even as the COVID-19 crisis intensified and cost pressures rose at the fastest pace in over nine years, a private survey showed. Near-term forward premiums in India surged on Tuesday with the one-month dollar/rupee premium trading at its highest level in more than two decades as massive dollar inflows towards an initial public offering skewed prices. India’s trade deficit in goods was $15.24 billion in April, preliminary data released by the government on Sunday showed. India's infrastructure output rose 6.8% in March from a year earlier, government data on Friday showed.

Going ahead, Global commodity markets ended 2020 on a strong note, with recovering demand and widespread stimulus packages buoying prices after a roller coaster ride caused by the global corona virus pandemic. Rollouts of vaccines to combat the virus and trillions of dollars’ in fiscal support are expected to boost investment and spending in 2021, spurring demand for raw materials from oil to copper. Also, If U.S. growth slows down next year, as expected, gold would benefit from higher demand for defensive assets. In nutshell, Performance of financial markets, monetary policy in key economies including here, and the dollar movement will determine gold performance in 2021. Gold could move higher with risk assets next year as long as monetary and fiscal conditions remain accommodative, while lower yields will encourage investors to hedge riskier assets with gold. Given the rising inflation expectations, weakening dollar and lofty valuations in some risky assets, demand for safe-haven inflation hedges should remain supported this year, and we can expect gold to test its all time high above $2,100/toz in this year. Gold is often used by investors as a hedge against political and financial uncertainty.

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

Technical Outlook:

On the Daily Chart:

In COMEX GOLD is trading at $1837

Expected support and Resistance level for the month

Gold	S1	S2	R1	R2
COMEX/DG CX ($)	1825	1810	1850	1875
MCX (Rs.)	47300	46400	48500	49000

RECOMMENDATION:

MCX Gold Dec: Buy above 48150 Stop Loss 47700 Targets 48500-48900.
Sell Only below 47300 Stop Loss 47900 Target 46600-46400.

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

SILVER

Technical Outlook:

On the Daily Chart:

Expected support and Resistance level for the month

Silver	S1	S2	R1	R2
COMEX/DG CX ($)	26.10	24.70	28.35	30.10
MCX (Rs.)	69600	68000	72700	73500

RECOMMENDATION:

MCX Silver Dec: Buy Only above 72700 Stop Loss below 71300 Targets 73500-74200
Sell below 69600 S/L above 70300 Target 68400-68000.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex recover smartly in April with Brent gain nearly 8% and WTI crude rally almost 6% thanks to recovery expectations in world oil demand after ease of restrictions in major western as well European countries against higher numbers of Covid in Asia especially India. The increases in April will be the 5th monthly gains in six months as global demand has almost returned to pre-pandemic levels on the back of fiscal stimulus while production cuts from OPEC and their allies including Russia eased crude oil oversupply. Wider adoption of COVID-19 vaccinations is also restoring confidence in travel, lifting oil demand. At end of the month, oil prices fell from 6-week highs as investors unloaded positions after weak Japanese crude import data and on worries about fuel demand in India, where COVID-19 infections have soared. Fuel demand worldwide is mixed, with consumption rising in the United States and China, while other nations resume lockdowns to stem the rising infection rate.

India, the world's third-largest oil consumer, is in deep crisis, with hospitals and morgues overwhelmed, as the number of COVID-19 cases topped 18 million on Thursday. Japan, another major crude oil buyer, imports fell 25% in March from a year earlier to 2.34 million barrels per day, according to government figures. However, the country's factory activity expanded at the fastest pace since early 2018.

Overall, oil prices have recovered from historic lows last year spurred by the onset of the pandemic, helped by some demand recovery and huge output cuts by the Organization of the Petroleum Exporting Countries and its allies, known as OPEC+. A year ago today, WTI sank to minus-$40 due to a massive glut.

Organization of the Petroleum Exporting Countries (OPEC) and its allies, a group known as OPEC+, stuck to its plans this week for a gradual easing of oil production curbs from May to July. Which plans to bring back about 2 million barrels per day (bpd) of production over the next three months, expects global stocks to reach 2.95 billion barrels in July. That would put those stockpiles below the 2015-2019 average.

In latest weekly update, crude inventories fell by 8 million barrels to 485.1 million barrels in the week to April 30, compared with expectations in a Reuters poll for a drop of 2.3 million barrels.

OPEC’s share of India’s oil imports fell to the lowest in at least two decades in the year to the end of March as overall purchases by Asia’s third largest economy fell to a six-year low, data obtained from industry and trade sources showed. Total crude imports by the world's third-biggest oil importer fell to 3.97 million barrels per day (bpd) in the 2021 fiscal year to March 31, down 11.8% from a year earlier, the data showed.

In its Monthly Report, OPEC forecasted that demand will rise by 5.95 million barrels per day (bpd) in 2021, or 6.6%. That is up 70,000 bpd from last month. The upward revision marks a change of tone from previous months, in which OPEC has lowered demand forecasts because of continued lockdowns. The group raised its forecast of 2021 world economic growth to 5.4% from 5.1%, assuming the impact of the pandemic is "largely contained" by the beginning of the second half of the year.

U.S. world largest crude oil consumer & producer, Crude oil output in the U.S. fell dropped by over a million barrels per day in February, falling to the lowest levels since October, 2017, according to a monthly government report on Friday. U.S. oil production dropped 1.197 millionbpd in February to 9.862 million bpd, according to a monthly report from the U.S. Energy Information Administration.

Meanwhile, U.S. energy firms added oil and natural gas rigs this week, leading to a ninth straight monthly rig count increase, as a recovery in prices lured some drillers back to the wellpad. The oil and gas rig count, an early indicator of future output, rose two to 440 in the week to April 30, its highest since April 2020, energy services firm Baker Hughes Co said in its closely followed report on Friday. That was the sixth time the count increased in the past seven weeks and put the total number up 32, or 8%, over this time last year. It was also up 80% since falling to a record low of 244 in August 2020, according to Baker Hughes data going back to 1940.

In a monthly report, The International Energy Agency (IEA), predicted that, global oil demand and supply were set to rebalance in the second half of the year and that producers may then need to pump an additional 2 million barrels per day (bpd) to meet the expected demand.

On domestic Updates, India's leading automobile dealers association on Monday said sales will take longer to recover than they did after the first wave of COVID-19 infections last year as the virus spreads to villages and smaller towns. Auto sales, especially cars and sport-utility vehicles (SUVs), bounced back strongly last year as buyers rushed to buy private vehicles to ensure safety and maintain social distance.

Going ahead, Oil prices are unlikely to mount much of a recovery in 2021 as a new corona virus variant and related travel restrictions threaten already weakened fuel demand. A new variant of the corona virus detected in Britain raises the risk of renewed restrictions and stay-at-home orders, which along with a phased rollout of vaccines might restrict further price gains. Additional lockdown measures and the careful OPEC+ dance of raising output will be the focal point for the first half of the year.

Technical Outlook:-

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

On the Daily Chart:

Expected Support and Resistance level for the month

Crude	S1	S2	R1	R2
NYMEX/DG CX ($)	62.90	60.60	66.80	68
MCX (Rs.)	4680	4550	4940	5000

RECOMMENDATION:

MCX Crude: Sell below 4680 Stop Loss above 4810 Target 4560-4500.
Buy above 4875 & 4940 Stop Loss below 4800 Target 5030-5070

Natural Gas

Technical Outlook:

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

RECOMMENDATION:

MCX NG : Buy above 223 Stop Loss below 216 for Targets of 230-237.
Sell below 212 S/L above 218 Target 205-200 Range

Base Metals

Market Outlook and Fundamental Analysis

COPPER:

After seen consolidating month of April, Base metals continue its Rally of its last 11-month to hit fresh decade high in Copper with gain of more than 11% in April as worries about supply disruptions in Chile due to strikes and robust demand reinforced expectations of shortages this year, boost after the U.S. Federal Reserve said on Wednesday it was too early to consider rolling back its emergency pandemic support. Added by weakness in dollar, falling ME warehouse stocks resulted in technical buying all around globe. Copper is often used as a gauge for global economic health and is used in electric vehicles and renewable energy productions. Copper price now the most since August 2011 and a 124% rally since the 2020 low of $4,371 in March last year, at the height of lockdowns to combat the corona virus pandemic with more than 27% gain year to date. Copper is benefiting from both bullish supply and demand factors, with concerns over industrial action in top exporter Chile matching expectations of strong global demand as the world recovers from the worst of the pandemic. Across the base metals rally in April with zinc gain 4%, nickel gain 8%, lead gain more than 11% and Aluminum rally 9% in April month. However, ample supplies next year and in 2023 will keep the copper market balanced, but miners need to start investing in new capacity now to meet a pickup in demand growth. Expectations for a boom in copper demand in the transition to a lower carbon economy and global economic recovery have pushed prices back up towards a 10-year high.

Latest numbers from top metal consumer China shows, China's refined copper output rose 18.2% year-on-year in March but the monthly total of 870,000 tonnes was the lowest since July, data from the National Bureau of Statistics showed. China's primary aluminium imports jumped over 15 times year-on-year in March on robust demand and a favorable price spread between overseas metal and Shanghai prices. China's factory activity in April expanded at the fastest pace in four months on stronger demand, but concerns over surging raw materials and input costs clouded the outlook, according to a private survey released on Friday. The Caixin/Markit Manufacturing Purchasing

Managers' Index (PMI) rose to 51.9 in April from an 11-month low of 50.6 in March, beating analyst expectations for a smaller uptick to 50.8. Auto sales in China surged in March for their 12th consecutive month of gains, as the world's biggest car market leads the sector's recovery from the COVID-19 pandemic. Sales reached 2.53 million vehicles in March, up 74.9% year-on-year, data from the China Association of Automobile Manufacturers (CAAM) showed.

The International Copper Study Group (ICSG) suggests the global market will record modest supply surpluses of 79,000 tonnes and 109,000 tonnes this year and next respectively.

Meanwhile, Global nickel demand is seen rising 11.7% year-on-year to 2.67 million tonnes in 2021, while output is expected to rise 9.2% within the same period to 2.72 million tonnes, the International Nickel Study Group said. The nickel market should see a small surplus this year, the International Nickel Study Group said. The global nickel market recorded a supply-demand surplus of 108,000 tonnes last year and is on track to record another 45,000-tonne surplus this year, the International Nickel Study Group (INSG) found.

Other side, British new car sales rose by more than 3,000% in April as the reopening of dealerships to the public in England helped boost figures compared to the same time last year when the first lockdown almost completely wiped out volumes.

China accounts for nearly half of global copper demand, estimated at 24 million tonnes last year. Copper, used in the power and construction industries, is also seen as a gauge for the health of global economy.

Separately, the global nickel market surplus expanded to 6,200 tonnes in February from a downwardly revised 3,500 tonnes in the previous month, International Nickel Study Group data showed.

Combined aluminium inventories in LME and ShFE warehouses have fallen 4.5% since a near-three-year high level hit on March 19, but current stockpiles of 2.23 million tonnes were still 43% higher than the beginning of the year.

Going ahead, A year into the corona virus pandemic, the focus has been on the vaccines vs variants battle crucial to restoring some normality to the world economy. As per latest numbers effect of Covid-19 will likely to be longer than expected and play a bigger role to decide fresh direction for global growth as well base metals Prices. However, stimulus offer by various countries including China, US, EU… may support base metals at lower level but all will depend on how long global shut down will remain & ultimate its effect on different countries economy & trade. Chinese authorities are expected to roll out more supportive measures on top of a range of policy initiatives this year. Such measures - mostly medium to long-term policies - are likely to put a floor under the slowing economy in the second half of the year at the earliest.

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

Base Metals

TECHNICAL OUTLOOK:

COPPER:

Expected Support & Resistance level for the month

Copper	S1	S2	R1	R2
MCX	781	762	813	825

RECOMMENDATION:

COPPER MCX:- Sell Only below 781 Stop Loss above 797 Target 762-750 Range.
Buy above 813 Stop loss below 800 Target 830-837.

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

LEAD:

Technical Outlook:

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	174.5	170	178.5	182

RECOMMENDATION:

LEAD M MCX: - Sell below 174.5 Stop Loss above 178.5 Target 168-166.
Buy Only above 178.5 Stop Loss below 175 Target 183-185

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

ZINC

TECHNICAL OUTLOOK:

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	230	225	241	245

RECOMMENDATION:

ZINC MCX :- Sell Only below 230 Stop Loss above 235 Target 224-221 Range
Buy above 240 & 241 Stop Loss below 237 Target 245-248

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

NICKEL

TECHNICAL OUTLOOK:

Expected Support & Resistance level

Nickel	S1	S1	R1	R2
MCX	1300	1265	1345	1370

RECOMMENDATION:

Nickel MCX :- Sell below 1300 Stop Loss above 1330 Targets 1265-1240
Buy Only above 1345 Stop Loss below 1320 Targets 1370-1400

MONTHLY BULLETIN (RESEARCH) Date 10th May 2021

BONANZA RESEARCH TEAM

Fundamental Outlook by: **Mr.Vibhu Ratandhara**

Technical Outlook by: **Mr. Vibhu Ratandhara**

BONANZA COMMODITY BROKERS PVT. LTD.

DATE- May 10th, 2021

Disclosure:

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No.INM000012306

Disclaimer:

This research report has been published by 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 Bonanza portfolio Ltd shall be liable. Research report may differ between 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

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

SEBI Regn. No.: INM000012306 | NSE CM: INB 230637836 | NSE F&O: INF 230637836 | NSE CDS: INE 230637836 |

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