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GOLD

Market Outlook and Fundamental Analysis:

Bullion Index register 4th consecutive monthly gain in April with index hit fresh all time exchange high, thanks to Gold which also register multiple all time high in April & touch psychological level of $ 3500/oz on continue to safe haven buying after Trade war situation added by sooner than expected rate cut expectations from US FED and ongoing geopolitical tension makes bullion and especially gold as 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 makes bullion attractive on year to date basis. However, expected rally in dollar index as well in US Bond yield will likely to pressure bullion at higher level added by peace talk on geopolitical tension front. 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 April Gold future in domestic exchange register straight 5th monthly gain by almost 4% against Silver down almost 4% for the month of April.

Gold is up more than 17% in the first quarter of the year (after surging 27% in 2024), heading for its best quarterly performance since 1986, posted 19 all-time highs in 2025, among which seven are above the unprecedented $3,000 level mark thanks to Continued haven demand, coupled with EM central bank buying in an effort to diversify FX reserves, make for a convincing bull case here. Last year, gold recorded its best yearly performance since 2010, prompted by market participants fleeing to the safe-haven asset due to increased geopolitical turmoil rising from the wars in the Middle East and Europe, and to safeguard against the turbulent economic landscape against the backdrop of Trump taking office and resultant tariff proposals. Another major factor that contributed to the surge was the Fed's rate easing policy after the U.S. central bank cut rates by 50 basis points in September.

The Federal Reserve held interest rates steady in the 4.25%-4.50% range on 7-May but said the risks of higher inflation and unemployment had risen, further clouding the U.S.

economic outlook as its policymakers grapple with the impact of President's tariffs. At this point, Fed Chair Jerome Powell said, it isn't clear if the economy will continue its steady pace of growth, or wilt under mounting uncertainty and a possible coming spike in inflation. "So it's not at all clear what the appropriate response for monetary policy is at this time ... It's really not at all clear what it is we should do." "I don't think we can say which way this will shake out."

The BOE cut its main interest rate by 0.25 percentage points to 4.25% on 8-May, though with an unexpected three-way split among policymakers as U.S. Presidents tariffs weigh on global economic growth. The BoE said it thought the increase in tariffs by the U.S. and other countries would weigh somewhat on British economic growth and push down on inflation in Britain but it stressed how unclear the outlook remained.

On Tariffs Update, The U.S will cut the "de minimis" tariff for low-value items imported from China, as per a White House executive order on 12-May, further de-escalating a potentially damaging trade war between the world's two largest economies. Carriers can pay either the 54% or the $100 fee per package, industry experts said. The logistics companies or freight forwarders collect those tariff fees from sellers in China in advance. The de minimis exemption allowed items valued at up to $800 and sent from China via postal service to previously enter the United States duty free and with minimal inspections.

The US and China will temporarily lower tariffs on each other’s products, according to a joint statement released in Geneva on 12-May, in a move to cool trade tensions and give the world’s two largest economies three more months to resolve their differences. The combined 145% US levies on most Chinese imports will be reduced to 30% including the rate tied to fentanyl by May 14, while the 125% Chinese duties on US goods will drop to 10%, according to the statement and officials in a briefing. The statement also said “the parties will establish a mechanism to continue discussions about economic and trade relations.” The announcement represents a step toward de-escalating a tariff war that has led to an immediate slump in trade across the Pacific Ocean. Trade Representative Jamieson Greer said the US wants to have more balanced trade with China. In 2018, the two sides also agreed to put their dispute “on hold” after a round of negotiations, but the US soon backed away from that deal, leading to more than 18 months of further tariffs and talks before the signing of the “Phase One” trade deal in January 2020.

The United States and China reached a better-than-expected deal to temporarily slash tariffs, sending stocks and the U.S. dollar sharply higher, as the world's two biggest economies seek to end a damaging trade war that has stoked fears of recession. The U.S. will cut extra tariffs it imposed on Chinese imports in April this year to 30% from 145% and Chinese duties on U.S. imports will fall to 10% from 125% for the next 90 days, the two sides said on 12-May. The accord does not include the "de minimis" exemptions for low-value e-commerce shipments from China and Hong Kong, which the Trump administration terminated on May 2, according to a source familiar with the negotiations.

The duties are also still higher than before U.S. President Donald Trump announced a raft of tariffs on April 2. The tariff dispute had brought nearly $600 billion in two-way trade to a standstill, disrupting supply chains, sparking fears of stagflation and triggering some layoffs. Bessent told U.S. media that there was still much work to do, but neither the place nor time for a next meeting had been set. "Over the next 90 days we have a mechanism to meet with the Chinese trade delegation," "We will be discussing tariffs, non-tariff trade barriers, currencies and their subsidies of labor and capital, and how we can open up China to American businesses."

India has offered to slash its tariff gap with the U.S. to less than 4% from nearly 13% now, in exchange for an exemption from U.S President's "current and potential" tariff hikes, sources said to Reuters, as both nations move fast to clinch a deal. This would mean that the average tariff differential between India and the U.S., calculated across all products without weighting for trade volume, would be reduced by 9 percentage points, in one of the most sweeping changes to bring down trade barriers in the world's fifth largest economy. The United States is India's largest trading partner, with bilateral trade totalling some $129 billion in 2024. The trade balance is currently in favour of India, which runs a $45.7 billion surplus with the U.S. Last month, Trump announced a 90-day pause on his long-planned reciprocal tariffs on global trading partners, including a 26% tariff on India, while his administration negotiates trade deals. A 10% base tariff continues to apply to India and many other nations during the pause. India has offered preferential access to nearly 90% of goods imported from the United States, including the reduced tariffs. A delegation of Indian officials is likely to visit the U.S. later this month to take the negotiations forward.

Latest from UK-US trade deals, Car export tariffs will reduce from 27.5% to 10%. This will apply to a quota of 100,000 UK cars, almost the total the UK exported last year. The UK steel industries will no longer face tariffs. They have gone from 25% tariff down to zero. Both sides have agreed new reciprocal market access on beef – with UK farmers given a tariff free quota for 13,000 metric tonnes. There will be no weakening of UK food standards on imports. The UK will remove the tariff on ethanol – which is used to produce beer - coming into the UK from the US, down to zero. Work will continue on the remaining sectors - such as pharmaceuticals and remaining reciprocal tariffs. The U.S. has agreed that the UK will get preferential treatment in any further tariffs imposed as part of Section 232 investigations. The UK Digital Services Tax remains unchanged. The two nations have agreed to work on a digital trade deal that will strip back paperwork for British firms trying to export to the U.S.

The Trump administration ended U.S. duty-free access for low-value shipments from China and Hong Kong on Friday, removing the "de minimis" exemptions availed of by Shein, Temu and other e-commerce firms as well as traffickers of fentanyl and other illicit goods.

U.S. President Donald Trump signed a pair of orders to soften the blow of his auto tariffs on 29-April with a mix of credits and relief from other levies on materials, and his trade team touted its first deal with a foreign trading partner. It will allow them to offset tariffs for imported auto parts used in U.S.-assembled vehicles equal to 3.75% of the total value of the Manufacturer’s Suggested Retail Price of vehicles they build in the U.S. through April 2026, and 2.5% of U.S. production through April 30, 2027. The White House said the change will not affect the 25% tariffs imposed last month on the 8 million vehicles the United States imports annually.

Japan could use its $1 trillion-plus holdings of U.S. Treasuries as a card in trade talks with Washington, its finance minister said, raising explicitly for the first time its leverage as a massive creditor to the United States. While Finance Minister did not threaten to sell holdings, his remarks touch on a critical concern global investors have about what Japan and China, the two largest owners of U.S. government debt, might do in seeking tariff concessions from the Trump administration. The Treasury market saw a huge global sell-off last month after U.S. President Donald Trump's decision on April 2 to slap sweeping tariffs on trading partners, including key strategic allies such as Japan. Japan's and China's presence in the Treasury market makes them a huge point of attention whenever U.S. yields spike, although little is known about their trading activity.

Ukraine and the U.S. on 1-May signed a deal heavily promoted by U.S. President that will give the United States preferential access to new Ukrainian minerals deals and fund investment in Ukraine's reconstruction. The two countries signed the accord in Washington after months of sometimes fraught negotiations, with uncertainty persisting until the last moment with word of an eleventh-hour snag. "In addition to direct financial contributions, it may also provide NEW assistance - for example air defense systems for Ukraine, Svyrydenko said the accord allowed Ukraine to "determine what and where to extract" and that its subsoil remains owned by Ukraine. Separately, Ukraine has discussed with European allies the forming of an international force to help ensure Ukraine's security if a peace agreement is reached with Russia.

US Nonfarm payrolls, a gaunge to interest rates decision shows, U.S. job growth slowed marginally in April, but the outlook for the labor market is increasingly darkening as President's aggressive tariff policy heightens economic uncertainty. Nonfarm payrolls increased by 177,000 jobs last month after rising by a downwardly revised 185,000 in March, the Labor Department's Bureau of Labor Statistics said against Reuters had forecast 130,000 jobs added last month after a previously reported 228,000 advance in March. The unemployment rate held steady at 4.2%. The economy needs to create roughly 100,000 jobs per month to keep up with growth in the working-age population. The report is backward-looking and it is too early for the labor market to show the impact of Trump's on-and-off again tariffs policy. The labor market continues to show resilience amid a reluctance by employers to let go of workers after struggling to find labor during and after the COVID-19 pandemic, but warning signs are accumulating. In April, the net number of people joining the labor market exceeded those leaving by the most since August 2023, a sign of a resilience.

The London Bullion Market Association said that gold held in London vaults totalled 8,536 metric tons at the end of April, up 0.6% from the previous month, as more of the precious metal returned from New York to London after dislocation. The premium of the most active COMEX gold futures' over London spot prices normalised in April, when the Trump administration excluded the precious metal from broader U.S. import tariffs, after being elevated for months. COMEX gold stocks , which have been falling since early April, saw the largest daily decline on 7-May, according to the COMEX data, with outflows of 925,559 troy ounces (28.8 tons) worth $3.1 billion. There were also 22,859 tons of silver held in London vaults in April, up 3.3 % from March, the LBMA said. Silver holdings in London rose for the first time since October 2024.

The inflow into physically backed gold exchange-traded funds in April was the largest since March, 2022, with China-listed funds leading the move due to the country's trade war with the U.S., data from the World Gold Council showed. The inflow intensified in April when the world's two largest economies exchanged tit-for-tat import tariffs, although investors seeking shelter from political and economic volatility were moving into gold ETFs since the start of 2025. Gold ETFs saw an inflow of 115.3 metric tons worth $11.2 billion last month, the largest amount since March 2022, when global markets were grappling with the immediate consequences of Russia's invasion of Ukraine. This move raised Gold ETFs' total holdings by 3.3% to 3,560.8 tons by the end of April, the largest amount since August 2022. Their record was 3,915 tons in October 2020. China-listed funds led the inflow with 64.8 tons in April, while U.S.-listed funds drew 42.4 tons, the WGC said.

U.S Labor Department's Bureau of Labor Statistics said nonfarm productivity, which measures hourly output per worker, fell at a 0.8% annualized rate in the first quarter. That was the first decline since the second quarter of 2022 and followed a 1.7% growth pace in the October-December quarter. Productivity grew at a 1.4% rate from a year ago.

The U.S. trade deficit widened to a record high in March as businesses boosted imports of goods ahead of tariffs, which dragged gross domestic product into negative terrain in the first quarter for the first time in three years. The trade gap jumped 14.0% to a record $140.5 billion from a revised $123.2 billion in February, the BEA said. Imports vaulted 4.4% to an all-time high $419.0 billion in March. Goods imports soared 5.4% to a record $346.8 billion. Exports climbed 0.2% to $278.5 billion, also a record high. Exports of goods increased 0.7% to $183.2 billion.

The U.S. services sector's growth picked up in April, while a measure of prices paid by businesses for materials and services raced to the highest level in more than two years, signaling a building up in inflation pressures due to tariffs. The ISM said its nonmanufacturing PMI increased to 51.6 last month from 50.8 in March against Reuters had forecast the services PMI dipping to 50.2.

U.S. manufacturing contracted further in April while tariffs on imported goods were straining supply chains, keeping prices paid for inputs elevated. The ISM said that its manufacturing PMI dropped to a five-month low of 48.7 last month from 49.0 in March. A PMI reading below 50 indicates contraction in the manufacturing sector, which accounts for 10.2% of the Reuters had forecast the PMI declining to 48. The ISM survey's forward-looking new orders sub-index improved to 47.2 after slumping to 45.2 in March, which was the lowest reading since May 2023.

The number of Americans filing new applications for jobless benefits surged to a two-month high last week, but that likely did not mark a material shift in labor market conditions as the rise was related to school spring breaks in New York state. Nonetheless, the labor market is softening, with the report from the Labor Department on Thursday also showing unemployment rolls swelled to levels last seen nearly 3-1/2 years ago.

The U.S. economy contracted for the first time in three years in the first quarter, swamped by a flood of imports as businesses raced to avoid higher costs from tariffs and underscoring the disruptive nature of President often chaotic trade policy. Gross domestic product decreased at a 0.3% annualized rate last quarter, the first decline since the first quarter of 2022 and against expected to increased at 0.3%, the Commerce Department's Bureau of Economic Analysis said in its advance estimate of first-quarter GDP. It was also weighed down by a decline in federal government spending, likely linked to the Trump administration's aggressive funding cuts, marked by mass firings and shuttering of programs.

U.S Consumer spending, which accounts for more than two-thirds of the economy, grew at a 1.8% rate in Q1-25 after a robust 4.0% in the fourth quarter. It was supported by outlays on both services and goods, mostly healthcare, housing and nondurable goods. Most households pulled forward spending to avoid higher prices. With the labor market also cooling, consumers are mostly saving. Consumer spending, surged 0.7% last month after an upwardly revised 0.5% gain in February, against Reuters had forecast rise 0.5% after a previously reported 0.4% increase in February.

U.S Inflation heated up last quarter as the Personal Consumption Expenditures price index excluding the volatile food and energy components surged at a 3.5% rate, an acceleration from the October-December's 2.6% pace. The so-called core PCE inflation is one of the inflation measures tracked by the Federal Reserve for its 2% target. And it is to be expected that U.S. central bank to resume cutting interest rates at some point this year. In the 12 months through March, PCE prices increased 2.3% after rising 2.7% in February. Stripping out the volatile food and energy components, the PCE price index was also unchanged. That followed a 0.5% gain in the so-called core PCE inflation in February. In the 12 months through March, core inflation increased 2.6% after advancing 3.0% in February. The Fed tracks the PCE price measures for its 2% inflation target. Consumers' one-year inflation expectations have jumped to levels last seen in 1981.

The U.S. trade deficit in goods widened to a record high in March as businesses ramped up efforts to bring in merchandise ahead of President sweeping tariffs, suggesting trade was a large drag on economic growth in the first quarter. Goods imports soared $16.3 billion to an all-time high of $342.7 billion. They were driven by a 27.5% jump in imports of consumer goods. Goods exports rose $2.2 billion to $180.8 billion in March. They were lifted by shipments of automotive vehicles, food and industrial supplies.

U.S. consumer sentiment ebbed for a fourth straight month in April amid concerns about the economic impact of tariffs. The University of Michigan Surveys of Consumers said its Consumer Sentiment Index came in at 52.2 in April month against Unchanged at 50.8 expected. While that was an improvement from a reading of 50.8 two weeks ago, the index was down sharply from 57.0 in March. Economists polled by Reuters had forecast the final index reading unchanged at 50.8. Consumers' 12-month inflation expectations came in at 6.5%, down from 6.7% earlier this month and up from 5.0% in March. Inflation expectations were still the highest since 1981 and April marked the fourth consecutive month of unusually large rises of 0.5 percentage points or more. Long-run inflation expectations increased to 4.4%, unchanged from two weeks ago but up from 4.1% in March. The jump in expectations was among Independents.

Gold, which traders have been flying to New York since December as a precaution against the possibility of broad U.S. tariffs hitting bullion imports, is being shipped back to Switzerland, where it came from, official data shows. Swiss customs data on 17-April showed that the country's gold imports from the U.S. rose to a thirteen-month high of 25.5 metric tons in March, from 12.1 tons in February. Gold exports from Switzerland to the U.S. fell 32% month-on-month to 103.2 tons. U.S. warehouses approved by Comex, part of the CME Group, have seen eight consecutive days of gold outflows , for the first time in fourteen months, daily Comex data showed, as the U.S. futures premium wound down after major dislocation. Gold, silver and platinum worth more than $80 billion was delivered to Comex warehouses in the December-March period. However, the urgency to fly gold and ship silver to New York was removed when Washington excluded the metals from President reciprocal tariffs two weeks ago and the flow is now slowly reversing back towards Switzerland. Comex gold stocks are down 1.5 million troy ounces, worth $4.8 billion, to 43.6 million ounces (1,357 metric tons) since hitting an all-time high of 45.1 million ounces on April 4. They had started rising from 17.1 million ounces in November when Trump was elected President again. In a typical year, the U.S. consumes about 115 tons of gold in physical coins and bars, meaning that the remaining kilobars in CME-registered warehouses are sufficient to last this segment of the market for nearly 12 years.

U.S. President on 17-April launched a series of attacks against Federal Reserve Chair Jerome Powell, accusing the central bank chief of "playing politics" by not cutting interest rates, asserting he had the power to evict Powell from his job "real fast," and looking forward to the day when Powell was gone. Trump's post also said the Fed should be cutting interest rates and called a recent Powell speech about the economy a "complete mess."

On data side, U.S. job openings at 7.19 million in March, compared with estimates of 7.48 million, according to Reuters forecast. A gauge of consumer confidence came in at 86, below estimates of 87.5. U.S. consumer sentiment deteriorated sharply in April and 12-month inflation expectations surged to the highest level since 1981 amid unease over escalating trade tensions. Consumer Sentiment Index dropped to 50.8 this month from a final reading of 57.0 in March and against Reuters had forecast the index falling to 54.5. Consumers' 12-month inflation expectations soared to 6.7% this month, the highest reading since 1981, from 5.0% in March. Over the next five years, consumers saw inflation running at 4.4% compared with 4.1% in March. U.S. consumer prices unexpectedly fell in March, but inflation risks are tilted to the upside after President doubled down on tariffs on imported Chinese goods even as he lowered duties on other nations. The consumer price index dipped 0.1% last month after gaining 0.2% in February, the Labor Department's Bureau of Labor Statistics said. In the 12 months through March, the CPI advanced 2.4% after rising 2.8% in February and against Reuters had forecast the CPI edging up 0.1% and climbing 2.6% year-on-year. The so-called core CPI inflation increased 2.8% year-on-year in March after rising 3.1% in February. After tariff war, it is to be estimated that, inflation will peak at about 4%, double the Federal Reserve's 2% target. Financial markets expect the Fed to resume cutting interest rates in June having paused its easing cycle in January to give officials time to assess the economic impact of the White House's policies. The Fed's policy rate is currently in the 4.25%-4.50% range.

Investor morale in the euro zone recovered more strongly than expected in May after U.S. President Donald Trump's tariffs caused sentiment in the bloc to nose-dive last month, though it still remains at a low level, a survey showed. The Sentix index for the euro zone rose to -8.1 in May from -19.5 in April, beating the forecast for a reading of -12.5. The current situation index surprisingly improved to -19.3, its highest level since August 2024, though still in negative territory.

The euro zone economy grew faster than expected in the first quarter while inflation declined, indicating that the bloc started the year on an upbeat note before successive blows from the U.S. trade war, a surging euro and deteriorating sentiment. The world's second-largest economic bloc has barely grown over the past several years as businesses held back investment and households tried to rebuild wealth lost due to high inflation. The 20 nations sharing the euro currency saw their economy expand by 0.4% in the first quarter, beating expectations for 0.2%, driven by quick growth in Spain, Eurostat data showed. Germany, Europe's largest economy, grew by just 0.2% while France expanded by 0.1% and Italy by 0.3%, suggesting that excluding Ireland, the headline figure would be more modest. Interest rate cuts are coming mostly because the outlook has darkened significantly.

British inflation slowed to its weakest in three months in March and other measures watched by the Bank of England cooled too, but higher bills and employer costs will pressure prices soon against the backdrop of U.S. President Donald Trump's trade war. Inflation slowed to an annual rate of 2.6% in March from 2.8% in February, below expectations of 2.7% in a BoE forecast and a Reuters poll. The BoE - which has an inflation target of 2% - said in February it expected inflation to leap to 3.6% in April as regulated tariffs for household utility bills go up.

Australian retail sales rose only modestly in March and sales volumes were flat for the first three months of the year, suggesting consumer spending made no contribution to economic growth last quarter. retail sales rose 0.3% in March from February, when they edged up 0.2%. The outcome was just below market forecasts of a 0.4% increase.

Australia's property prices hit a record in April although U.S. tariff risks and election uncertainty led to a slump in the sales and listings volume, property consultant Cotality said. Prices rose 0.3% in April from March to a new peak of A$ 825,349 ($528,470.96), compared with a 0.4% gain the previous month, figures from Cotality, formerly CoreLogic, showed. The monthly rise was broad-based, with prices in Darwin jumping a whopping 1.1%. Prices in both Sydney and Melbourne rose 0.2%.

Core inflation in Australia slowed to a three-year low in the first quarter as costs in the services sector cooled markedly, data showed on Wednesday, supporting the case for another cut in interest rates in coming weeks. Data from the Australian Bureau of Statistics showed the consumer price index (CPI) rose 0.9% in the March quarter, just above forecasts of a 0.8% increase. That was thanks to a 16.3% jump in electricity prices as some government rebates on power bills expired. Annual CPI inflation held steady at 2.4%. Also encouragingly, inflation in the services sector slowed to 3.7% in the first quarter, the lowest since the June quarter of 2022.

Australian employment rebounded in March, recovering from a one-off dive the previous month, while the unemployment rate came in slightly below forecasts, showing a labour market that remains healthy but does not stand in the way of policy easing. Figures from the Australian Bureau of Statistics showed net employment rose 32,200 in March from February, when it dropped by a revised 57,400. That was just under market forecasts for a 40,000 rise. The jobless rate ticked up to 4.1%, from 4.0%, but was still under forecasts of 4.2%, and similar to where it has been for the past year.

South Korea's factory activity contracted at the steepest pace in 31 months in April as demand plunged on U.S. President sweeping tariffs, while firms turned most pessimistic since the pandemic, a private-sector survey showed. The PMI for manufacturers in Asia's fourth-largest economy, released by S&P Global, fell to 47.5 in April, from 49.1 in March. It was the third monthly reading below the 50-mark, which separates expansion from contraction, and the lowest point since September 2022. Output and new orders fell by the most since June 2023, sub-indexes showed.

South Korea's consumer prices rose 2.1% in April over a year, slightly above market expectations, official data showed. The consumer price index rose 0.1% on a monthly basis, after rising 0.2% in the previous month. It was the slowest since November 2024. South Korea's exports were unexpectedly resilient in April, buoyed by strong demand for semiconductors despite the drag from U.S. tariffs, although there are signs that global trade tensions have started to impact its key auto sector. South Korea's exports climbed 3.7% from a year earlier to $58.21 billion in April. That was faster than a rise of 3.0% in March and the biggest percentage gain in four months.

Hong Kong's home prices slipped for a fourth month in March, government figures showed, as the ailing property market faced more economic headwinds. Private home prices fell 0.5% in March from the month before, following a revised 0.6% decline in February, data from the Rating and Valuation Department showed. The March price index was the lowest since July 2016. Home prices in Hong Kong, one of the world's most unaffordable cities, have tumbled nearly 30% from a 2021 peak, hurt by higher mortgage rates, a weak economic outlook, and poor demand as many professionals have left the territory.

Japan's factory activity shrank for the 10TH consecutive month in April as confidence among manufacturers dived to almost 5-year lows, dented by worries about U.S. President tariff policies, a private-sector survey showed. On the brighter side, the service sector activity returned to growth as customer demand improved further and helped lift sales. The au Jibun Bank Japan flash manufacturing PMI stood at 48.5 in April, a touch above the 48.4 reading in March. The index has stayed below the 50.0 threshold that separates growth from contraction since July last year. The au Jibun Bank flash Japan composite PMI, which combines both manufacturing and service sector activity, swung back to growth to stand at 51.1 from 48.9 in March.

Japan's core inflation accelerated in March due to persistent rises in food costs, complicating the central bank's task of weighing mounting price pressures against risks to the economy from higher U.S. tariffs. The core consumer price index (CPI), which includes oil products but excludes fresh food prices, rose 3.2% in March from a year earlier, matching a forecast and accelerating from a 3% gain in February. Core inflation has now exceeded the BOJ's 2% target every month for three years in a row, in a sign of mounting price pressure as companies continue to pass on rising raw material and labour costs.

Indonesia's central bank held policy rates steady for a third consecutive review, as expected, aiming to maintain stability in the rupiah exchange rate amid global uncertainty over trade tensions. Bank Indonesia kept the benchmark 7-day reverse repurchase rate, known as BI Rate, unchanged at 5.75%, as expected by Reuters forecast. The central bank also maintained its overnight deposit facility and lending facility rates at 5.00% and 6.50%, respectively.

Separately, Australia's Anthony Albanese claimed a historic second term as prime minister on Saturday in a dramatic comeback against once-resurgent conservatives that was powered by voters concerns about the influence of U.S. President Donald Trump.

Other side, An unprecedented two-day surge in Taiwan's currency against USD is the latest leg of a scramble out of the U.S. dollar and signal of disquiet in markets as U.S. President trade war rattles confidence and disrupts trade relationships. Taiwan occupies one of the most valuable and vulnerable points in the global economy, as the dominant manufacturer of high-end computer chips and supplier to both the U.S. and China. Its currency, usually contained by a central bank with a mandate for stability, has leapt 8% in two days, with traders complaining of no buyers for U.S. dollars that insurers, exporters and investors suddenly wanted to sell. Ripples from record rally in the Taiwan dollar also spreading outward, driving surges for currencies in Singapore , South Korea , Malaysia , China and Hong Kong. The moves sound a warning for the dollar because they suggest money is moving in to Asia at scale and that a key pillar of dollar support is wobbling.

The World Bank forecast that weakening global growth due in part to trade turmoil will push global commodity prices down 12% in 2025 and another 5% in 2026 to the lowest levels of the 2020s in real terms. The development lender's latest Commodity Markets Outlook report shows that inflation-adjusted, commodity prices would tumble to their 2015-2019 average in the next two years, marking an end to a price boom fueled by the COVID-19 economic recovery and Russia's 2022 invasion of Ukraine. Energy prices are expected to fall by 17% to their lowest level in five years before dropping another 6% in 2026, the report said. Coal prices are expected to fall 27% in 2025 and 5% further in 2026 as the growth of coal consumption for power generation in developing economies slows. The World Bank report also forecast that gold prices are likely to set a new record in 2025 as investors seek safe havens for capital amid rising uncertainty, but the price will stabilize in 2026.

The World Bank cut its economic growth forecast for India on Wednesday, citing increased uncertainty in the global economy that will dim prospects for most South Asian nations. The World Bank lowered its forecast for India by 0.4 percentage points to 6.3% for the fiscal year that started on April 1, from its previous forecast in October. It cut its growth forecasts for most South Asian nations, citing "limited buffers to withstand global challenges." The World Bank and IMF's revised forecasts are marginally below the Reserve Bank of India's 6.5% growth estimate.

The IMF released an update to its World Economic Outlook on 22-April slashed its growth forecasts for the United States, China and most countries, citing the impact of U.S. tariffs now at 100-year highs and warning that rising trade tensions would further slow growth. It cut its forecast for global growth by 0.5 percentage point to 2.8% for 2025, and by 0.3 percentage point to 3% from its January forecast that growth would reach 3.3% in both years. It said inflation was expected to decline more slowly than expected in January, given the impact of tariffs, reaching 4.3% in 2025 and 3.6% in 2026, with "notable" upward revisions for the U.S. and other advanced economies. The IMF said the swift escalation of trade tensions and "extremely high levels" of uncertainty about future policies would have a significant impact on global economic activity. However, medium-term growth prospects remained mediocre, with the five-year forecast stuck at 3.2%, below the historical average of 3.7% from 2000-2019, with no relief in sight absent significant structural reforms. The IMF slashed its forecast for growth in global trade by 1.5 percentage point to 1.7%, half the growth seen in 2024, reflecting the accelerating fragmentation of the global economy.

The IMF downgraded its forecast for U.S. growth by 0.9 percentage point to 1.8% in 2025 - a full percentage point down from 2.8% growth in 2024 - and by 0.4 percentage point to 1.7% in 2026, citing policy uncertainty and trade tensions. U.S. neighbors Canada and Mexico, both targeted by a range of Trump's tariffs, also saw their growth forecasts cut. The IMF forecast Canada's economy would grow by 1.4% in 2025 and 1.6% in 2026, instead of 2% growth projected for both years in January.

The IMF forecast growth in the Euro Area would slow to 0.8% in 2025 and 1.2% in 2026, with both forecasts about 0.2 percentage points down from January. It said Spain was an outlier, with a 2.5% growth forecast for 2025, a 0.2 percentage point upward revision, reflecting strong data. Growth in Britain would hit 1.1% in 2025, 0.5 percentage point below the January forecast, edging higher to 1.4% in 2026, reflecting the impact of recent tariff announcements, higher gilt yields and weaker private consumption. China's growth forecast was cut to 4% for 2025 and 2026, reflecting respective downward revisions of 0.6 percentage point and 0.5 percentage point from the January forecast.

The International Monetary Fund (IMF) on Tuesday cut its economic growth forecast for India for the current fiscal year, citing increased trade tensions and global uncertainty. The IMF lowered its forecast for the South Asian country to 6.2% from the 6.5% it had forecast in January for the fiscal year that started on April 1. For India, it said it was cutting its forecast due to "higher levels of trade tensions and global uncertainty."

India's private sector growth rose to an 8-month high in April fueled by robust demand, particularly a surge in foreign orders for manufactured goods, according to a survey, but business confidence showed some signs of softening. The HSBC flash India Composite PMI, compiled by S&P Global, climbed to 60.0, up from 59.5 in March, the strongest pace of combined manufacturing and services growth since August.

China, world's leading consumer of gold, China's total gold imports via Hong Kong in March rose 41.9% from February, Hong Kong Census and Statistics Department data showed on

28-April. China's gold consumption fell 5.96% year-on-year to 290.492 tons in the first quarter of 2025 as high gold prices continued to curb demand for gold jewellery, the China Gold Association said. The rise in gold prices has led to a shift in consumer behavior, with traditional gold products such as gold ornaments and jewellery giving way to gold bars and coins as a means of investment. Gold jewellery consumption slumped 26.85% year-on-year to 134.531 tons during the first quarter, while consumption for gold bars and coins surged 29.81% to 138.018 tons, driven by investors seeking safe-haven assets amid geopolitical uncertainty and economic volatility. China's domestic gold production rose 1.49% year-on-year to 87.243 tons in the first quarter of 2025. Including gold produced from imported materials, which totalled 53.587 tons, China's total gold output reached 140.830 tons in the first quarter, up 1.18% from a year earlier.

Central bank gold buying and global trade tensions are likely to push bullion prices to near $5,000 an ounce by 2028, billionaire investor John Paulson said in an interview during which he reinforced his commitment to U.S. mining projects

JP Morgan sees gold prices crossing the $4,000 per ounce milestone next year, following increased recession probabilities amid boosted U.S. tariffs and an ongoing U.S.-China trade war, the bank said in a note on 23-April. The bank now expects gold prices to reach an average of $3,675/oz by 4Q25, on the way towards above $4,000/oz by 2Q26, with risks skewed towards an earlier overshoot of these forecasts if demand surpasses its expectations. Earlier in April month, Goldman Sachs raised its end-2025 gold price forecast to $3,700/oz from $3,300, noting that in "extreme tail scenarios," gold could plausibly trade near $4,500/oz by end-2025. JP Morgan also predicts greater headwinds for silver in the near-term given industrial demand uncertainty, while a "catch-up window" will open over the second half of 2025 with prices set to rise towards $39/oz by 2025-end.

Goldman Sachs has increased its year-end gold forecast to $3,700 per troy ounce (toz), citing stronger-than-expected central bank demand and heightened recession risks impacting ETF inflows. The investment bank, whose previous year-end forecast was $3,300, said it expected central bank demand to average 80 tonnes per month, up from its previous assumption of 70 tonnes and well above the pre-2022 baseline of 17 tonnes per month. However, if economic growth outperforms expectations due to reduced policy uncertainty, ETF flows would likely revert back to their rates-based prediction, with year-end prices closer to $3,550/toz, Goldman said.

Asian bonds attracted the largest monthly foreign inflows in seven months in March, driven by hopes of rate cuts from regional central banks and their appeal as a haven as global assets were hit on worries over U.S. tariffs and a recession. Foreigners purchased a net $7.16 billion worth of regional bonds during the month, booking their largest monthly net purchase since August 2024, according to data from regulatory authorities and bond market associations in South Korea, India, Indonesia, Thailand and Malaysia. India and the Philippines' central banks have cut interest rates in April, following concerns over growth after Trump's tariff announcements. South Korean bonds attracted strong inflows for a second consecutive month, totaling $3.99 billion—the highest since October 2024. Indian bonds saw net inflows of $1.11 billion, marking the largest monthly gain in seven months.

India the world's fifth-biggest economy, Britain and India clinched a long-coveted free trade pact on 6-May after tariff turmoil sparked by U.S. President forced the two sides to hasten efforts to increase their trade in whisky, cars and food. The deal, between the world's fifth and sixth-largest economies, has been concluded after three years of stop-start negotiations and aims to increase bilateral trade by a further 25.5 billion pounds ($34 billion) by 2040 with liberal market access and eased trade restrictions. The deal lowers tariffs on goods such as advanced manufacturing parts and food products, and agrees to quotas on both sides for auto imports. It will allow more British firms to compete for contracts in India, and enable Indian workers to travel to Britain for work, without changing Britain's points-based immigration system.

India is likely to see above-average monsoon rains for the second straight year in 2025, the government said on 15-April, raising expectations of higher farm and economic growth in Asia's third-biggest economy. The monsoon, which usually arrives over the southern tip of Kerala state around June 1 and retreats in mid-September, is expected to reach 105% of the long-term average this year, M. Ravichandran, secretary in the Ministry of Earth Sciences, told. The India Meteorological Department defines average or normal rainfall as ranging between 96% and 104% of a 50-year average of 87 cm (35 inches) for the four-month season. Above-average rainfall is very likely over most parts of the country, except for some areas over northwest India, northeast India, and southern Peninsular India, where below-average rainfall is likely. The El Niño weather phenomenon, which usually leads to below normal monsoon rains, is unlikely to occur during the four-month-long monsoon season. In 2024, India received 107.6% of its long period average rainfall, against a forecast of 106%.

The share of gold held by India's central bank in its foreign exchange reserves has doubled in the last four years as on March-end, a report by the Reserve Bank of India showed. In dollar value terms, the share of gold in the total foreign exchange reserves increased to about 11.70% by end-March, from 9.32% as at end-September 2024 and 5.87% as on end-March 2021, the central bank's half year forex reserves report said. As of end-March, the RBI held 879.59 metric tonnes of gold, compared to 854.73 metric tonnes at the end of September. The proportion of gold held domestically rose to 511.99 metric tonnes as of March 31, against 510.46 metric tonnes at September-end, the RBI said. "While 348.62 metric tonnes of gold were kept in safe custody with the Bank of England and the Bank for International Settlements (BIS), 18.98 metric tonnes were held in the form of gold deposits," the report showed. Central banks typically hold gold reserves to diversify their assets, enhance financial stability, and mitigate risks. Gold can act as a hedge against inflation and currency fluctuations.

India's manufacturing sector growth accelerated in April to its strongest pace in 10 months, powered by robust export demand and increased output despite companies raising selling prices at the fastest rate in over 11 years, a survey showed. The HSBC India Manufacturing PMI, compiled by S&P Global, inched up to 58.2 in April from 58.1 in March, a tad lower than expected 58.4.

India, Trade Tension and geopolitical risks pose a challenge to India's economic growth in the fiscal year that started this month, potentially disrupting supply chains and pushing up prices, a finance ministry report said. "Uncertainties stemming from global developments constitute a key risk for the growth outlook for fiscal year 2025/26," the Ministry of Finance said in its monthly economic report. The government said in its report that private companies and policymakers must remain alert to the growing risks and "act urgently" to prevent uncertainty from feeding on itself. It added that the federal government's projected path for reducing public debt would help boost the pool of domestic savings available for private investment, thereby supporting the economic growth.

India's merchandise trade deficit in March at $21.54 billion was wider than expected due to a sharp rise in oil and gold imports, against expected a trade deficit of $16 billion March's merchandise trade deficit rose from more than a three-year low trade deficit of $14.05 billion in the previous month. The government said March's goods exports stood at $41.97 billion, while imports were $63.51 billion, compared with $36.91 billion of exports and $50.96 billion of imports in February. Monthly oil imports were the highest since May 2024, when they hit $19.95 billion. For the full year, goods exports were flat at $437.42 billion and goods imports were up 6% at $720.74 billion. Services exports rose 12% to $383.51 billion, while services imports were up 9% to $194.95 billion.

India's wholesale inflation eased to a 4-month low in March as food prices rose at a slower pace. Wholesale inflation, a proxy for producer prices, fell to 2.05% y-o-y from 2.38% in February, and was lower than the 2.5% expectations.

India's retail inflation slipped to a more-than-5-year low as food prices continued to moderate, creating room for deeper central bank rate cuts amid fears the U.S.-China trade war may hit global growth. Annual retail inflation in March eased to 3.34%, below expectations of 3.60%. The print was the lowest since August 2019, the government said in a statement. February retail inflation was 3.61%. The main driver for lower inflation prints has been food prices, which have seen a sharp reversal in recent months from eye-watering levels most of last year. Core inflation, which excludes volatile items such as food and energy and is a better gauge of domestic demand, rose slightly to 4.1% in March from 3.9% to 4% in the previous month, according to economists.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

India's industrial output in February was its weakest since August 2024, hurt by slowing manufacturing and mining sector growth, government data showed. Industrial output grew 2.9% year-on-year in February, missing the 4% growth expected by economists polled by Reuters. Industrial output declined 0.1% in August. The growth rate was revised to 5.2% in January, from the initial estimate of 5%. In the April-February period, industrial output increased by 4.1%.

On domestic Data update, India's services sector growth picked up slightly in April after March's slowdown as demand expanded robustly, although optimism was its weakest in nearly two years, a survey showed. The HSBC India Services PMI, compiled by S&P Global, rose marginally to 58.7 in April from 58.5 in March, lower than expected 59.1. PMI readings above 50.0 indicate growth in activity, while those below that level point to a contraction. India's industrial output in March missed expectations amid a quicker data release and slower mining activity, but rebounded from a six-month low in the previous month, government data showed. Industrial output grew 3% year-on-year in March, compared to the 3.3% growth expected by Reuters forecast and a revised 2.7% in February. India's infrastructure output grew 3.8% year-on-year in March on strong steel and cement production. Infrastructure output, which tracks activity across eight sectors and makes up 40% of the country's industrial production, grew at a revised 3.4% in February, compared to the initial estimate of 2.9%. Infrastructure output rose 4.4% in the fiscal year 2024-25.

Inflation in India is expected to stay near target this fiscal year, providing space to support growth through further monetary easing, members of the country's rate-setting panel said in the minutes of April policy. "When consumer price inflation is decisively around its target rate of 4.0% and growth is still moderate and recovering, monetary policy needs to nurture domestic demand impulses to further increase the growth momentum," RBI Governor wrote in the minutes. Members of India's rate-setting panel said there was no clear estimate of the impact the U.S.-China trade war might have on the domestic economy.

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.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

Technical Outlook:

On the Daily Chart MCX:

Sources – Ticker Plant and Bonanza Research

In COMEX GOLD is trading at $3335

Expected support and Resistance level for the month

Gold	S1	S2	R1	R2
COMEX/DG CX ($)	3270	3200	3440	3500
MCX (Rs.)	94800	92000	97600	99500

Mcx Trend seen Bullish as long 95200-S1 hold, while Sustain close above 97600 seen prices towards R2-10000.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

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 ($)	31.60	29.30	33.75	35.0
MCX (Rs.)	94700	93200	97500	99500

MCX trend seen Bullish as long hold 94700 – S2, While Sustain above 97500 & 100000 seen towards 105000-106000.

CRUDE OIL

Market Outlook and Fundamental Analysis

Energy complex register sharp fall in April to break a almost 2-year trading range on down side and test lowest level since Feb-21 due to demand concern after Trade war and poor global economic outlook will likely to hurt oil demand added by OPEC+ increase production quota and poor offtake by 2nd largest consumer Chinas put pressure on oil prices. While short covering & lower level buying seen later on as ceasefire news from geopolitical side and fall in dollar index offer support to Crude oil somehow in April. Benchmark Brent crude and WTI end more than 15% down for the month April.

OPEC oil output edged lower in April despite a scheduled output hike taking effect, a Reuters survey found, led by a cut in Venezuelan supply on renewed U.S. attempts to curb the flows and smaller drops in Iraq and Libya. The OPEC pumped 26.60 million barrels per day last month, down 30,000 bpd from March's total, the survey showed on Thursday, with cuts by some producers offsetting higher Iranian supply. The reduction comes despite OPEC+, which comprises OPEC and its allies including Russia, beginning in April to unwind its most recent layer of output cuts. The group plans to accelerate the hikes in May and June, citing supportive market fundamentals such as low inventories.

OPEC+ has agreed to accelerate oil production hikes for a second consecutive month, raising output in June by 411,000 barrels per day, the group said on 3-May, despite falling prices and expectations of weaker demand. Following an online meeting lasting just over an hour, the producer group announced the supply increase, saying the fundamentals of the oil market were healthy and inventories were low. The hikes also follow calls from U.S President Trump on OPEC+ to raise output. Trump will visit Saudi Arabia later in May. The June increase from the eight will take the total combined hike for April, May and June to 960,000 bpd, representing a 44% unwinding of the 2.2 million bpd cut, according to Reuters calculations. The group could fully unwind its voluntary cuts by the end of October if members do not improve compliance with their production quotas, OPEC+ sources told Reuters. OPEC+, which includes the Organization of the Petroleum Exporting Countries and allies such as Russia, is still cutting output by almost 5 million bpd and many of the cuts are due to remain in place until the end of 2026. The group plans to hold a full ministerial meeting on May 28.

The International Energy Agency which advises industrialised countries, said in a monthly report, Global oil demand will grow much more slowly than expected this year and U.S. production increases will also taper off, due to U.S. President tariffs on trading partners and their retaliatory moves. The U.S. oil industry, despite calls by Trump to "drill baby drill", may actually slow activity. World oil demand this year will rise by 730,000 barrels per day, a sharp cut from 1.03 million bpd expected last month. The reduction is larger than a cut made by OPEC. In its first look at 2026, the IEA predicted a further slowdown in demand growth to 690,000 bpd, due to a fragile economic backdrop and growing penetration of electric vehicles. In China, economic challenges and a shift towards EVs are tempering oil growth prospects in the world's second-largest consumer, which had driven rises in oil consumption for years. Together with the impact of Chinese tariffs on imports of U.S. ethane and liquefied petroleum gas, these factors prompted the IEA to cut its U.S. oil supply forecast by 150,000 bpd this year to growth of 490,000 bpd.

OPEC, in a monthly report, cut its 2025 global oil demand growth forecast for the first time since December, citing the impact of data received for the first quarter and trade tariffs announced by the United States. The Organization of the Petroleum Exporting Countries, in a monthly report, said world oil demand would rise by 1.30 million barrels per day in 2025 and by 1.28 million bpd in 2026. Both forecasts are down 150,000 bpd from last month's figures. In the report, OPEC lowered its world economic growth forecast this year to 3.0% from 3.1% and reduced next year's to 3.1% from 3.2%. Last month, OPEC said trade concerns would contribute to volatility but had kept forecasts steady, saying the global economy would adjust. OPEC's oil demand view is still at the higher end of industry forecasts and it expects oil use to keep rising for years, unlike the International Energy Agency, which sees demand peaking this decade as the world switches to cleaner fuels. OPEC's report also showed that crude production by the wider OPEC+ fell in March by 37,000 bpd to 41.02 million bpd due in part to reductions by Nigeria and Iraq

China, the world's biggest crude importer, Chinese travellers' spending rose 8% yoy during the May Day holiday to 180.27 billion yuan ($24.92 billion), but was still off pre-pandemic levels. The May Day holiday, one of the country's longest, is closely watched as a barometer of Chinese consumer confidence. China's tourism ministry recorded 314 million domestic trips during the holiday, an increase of 6.5%. During the five day holiday, 10.9 million people entered and exited the country, an increase of 28.7% compared with 2024. Of this total 1.1 million were foreigners, up a sharp 43.1%, the official Xinhua news agency said.

China's refineries processed the most oil in a year in March, but the volume of crude being added to inventories still rose to the highest in nearly three years as imports surged. China's surplus crude amounted to 1.74 million barrels per day (bpd) in March, the most since June 2023, according to calculations based on official data. China does not disclose the volumes of crude flowing into or out of strategic and commercial stockpiles, but an estimate can be made by deducting the amount of oil processed from the total of crude available from imports and domestic output. Refiners processed 14.85 million bpd in March, according to official data released on April 16, up 0.4% from the same month in 2024. Crude imports were 12.11 million bpd in March, up 5% from the same month a year earlier and the highest since August 2023. Domestic production was also strong, rising 3.5% to 4.48 million bpd in March, which was the most since at least the middle of 2011, according to Reuters' records. Putting imports together with domestic output gives a total of 16.59 million bpd available to refiners, leaving a surplus of 1.74 million bpd after the processing volume is deducted.

China Q1-2025, Crude oil Imports were 135.25 million metric tons in the first quarter, equivalent to 10.97 million barrels per day (bpd) and down 1.5% from the same period a year earlier. At first blush that looks like a weak outcome, and certainly crude imports were struggling in January and February. But arrivals roared back in March, rising to 12.1 million bpd, the highest since August 2023 and up 4.8% from March last year.

China's crude oil imports in March rebounded sharply from the previous two months and were up nearly 5% from a year earlier, boosted by a surge in Iranian oil and a rebound in Russian oil deliveries. March imports totalled 51.41 million metric tons, according to the General Administration of Customs, equivalent to 12.1 million barrels per day, the highest since August 2023, according to Reuters' records of customs data. That is up from 11.55 million bpd in March 2024 and 10.38 million bpd for the January-February period. For the first quarter as a whole, crude oil imports stood at 135.25 million tons, or 10.97 million bpd, was 1.5% lower compared with a year ago, the data showed. Customs data also showed March exports of refined oil products, which included diesel, gasoline, aviation fuel and marine fuel, were at 5.24 million tons, down from 6.02 million tons in March 2024. Exports in the first quarter totalled 12.46 million metric tons, down 16% on the year. Natural gas imports, including piped gas and liquefied natural gas (LNG), fell 15% last month over a year earlier at 9.16 million tons, and the first-quarter imports at 29.42 million tons were down 10% versus the same period of 2024.

The U.S. Interior Department said it has implemented new guidelines for allowable pressure differences in a certain type of oil drilling in part of the Gulf of Mexico, changes it expects can boost U.S. oil output. President new Energy Dominance Council led by Interior Secretary Doug Burgum is looking for ways to cut costs for oil and gas producers, cut regulations and boost oil output, which reached record levels under former President Joe Biden. Under the new rules, operators working in the Wilcox rock formation under part of the waters that Trump has renamed the Gulf of America, can produce oil from multiple offshore reservoirs using greater pressure differences. The rules on so-called downhole commingling between reservoirs in the Paleogene expand the allowable pressure differential from 200 pounds per square inch to 1500 psi.

U.S. exports of natural gas liquids touched a record high in April, even as a trade war between the U.S. and China cut shipments to the top buyer, ship tracking data showed. NGLs, primarily extracted from raw natural gas during processing, are the latest energy products ensnared in the escalating trade war between the world's two largest economies. Nearly half of U.S. ethane exports go to China, and all of China's ethane imports come from the U.S. with practically no options for alternative sources, according to the statistical arm of the U.S. government. The U.S. exported about 2.9 million barrels per day (bpd) of NGLs in April, a record high, data from ship tracking firms Kpler and Vortexa showed. Other countries increased their purchases of U.S. NGLs in the global rerouting, making up for the U.S.'s loss of Chinese buying. India more than tripled its purchase to a record high of 179,000 barrels per day, Kpler data showed.

Russia's oil price in roubles has fallen to a two-year low below the 4,000 rouble per barrel mark and some 40% lower than planned in the federal budget, data showed, piling pressure on the Kremlin, already saddled with a burgeoning budget deficit. For Russia, the world's second largest exporter, oil and gas have been both a strength and a weakness since the Soviets discovered one of the world's largest hydrocarbon basins in Western Siberia in the decades after World War Two. According to Reuters calculations, the average price of Russia's mix of Urals and ESPO blends dipped on May 2 to $48.92 per barrel, or 3,987 roubles, which is more than 40% below the 6,726 roubles the government had originally planned for this year. That's the lowest since May 2023, according to Reuters data.

India, the world's third-biggest oil importer and consumer, India's diesel exports likely hit their lowest level in over a decade in April as major exporter Reliance cut refining output for maintenance at a time when domestic demand was robust, trade sources said. India, one of Asia's top-three diesel exporters, exported around 1.15 million metric tons (9.69 million barrels) of the industrial and transportation fuel in April, an average of data from LSEG, Kpler, Vortexa and two trade sources showed. This would be the lowest since February 2012 and a significant drop from a nearly 1-1/2 year high of 2.83 million tons registered in March, according to official data.

India, the share of OPEC oil in India's imports fell to a record low in fiscal year 2024-25 as refiners continued to gorge on cheaper oil from Russia, the top oil supplier to New Delhi for the third straight year, data obtained from trade and industry sources showed. India imported an average of 4.88 million barrels per day (bpd) of oil in the fiscal year to March 2025, a growth of 5% over the previous year. Import of Russian oil rose 7.3% to 1.76 million bpd, raising its share marginally to 36% while OPEC's share slipped slightly to 48.5%, the data showed. Iraq and Saudi Arabia were the second and third biggest sources of crude for India. In March, India's imports of Russian oil rose about 11% from February to 1.7 million bpd, the highest in 5 months, the data showed.

U.S. energy firms this week cut the number of oil and natural gas rigs operating for the first time in three weeks, energy services firm Baker Hughes said in its closely followed report on last week of April. The oil and gas rig count, an early indicator of future output, fell by three to 584 in the week to May 2 and this week's decline puts the total rig count down 21 rigs, or 3% below this time last year with oil rigs fell by four to 479 this week, while gas rigs rose by two to 101. The oil and gas rig count declined by about 5% in 2024 and 20% in 2023.

The OPEC has received updated plans for Iraq, Kazakhstan and other countries to make further oil output cuts to compensate for pumping above agreed quotas, the group said. OPEC+, which includes OPEC, plus Russia and other allies, has implemented a series of output cuts since late 2022. Its compensation plan is designed to ensure that members who do not make the cuts in full implement further reductions. Under the latest plan, monthly cuts will range from 196,000 bpd to 520,000 bpd from this month until June 2026, up from between 189,000 bpd and 435,000 bpd previously.

Russia, the world's second biggest oil exporter and the second largest natural gas producer, sees stable crude production and significant growth in natural gas production and exports over the next quarter century, according to its new energy strategy. Russia's pipeline gas exports to Europe, once its main trading partner, collapsed following the 2022 invasion of Ukraine, though Russian crude exports have continued to world markets. According to Russia's new energy strategy published by the government on Monday, Russia targets natural gas exports, including sea-borne liquefied natural gas (LNG) and supplies via pipelines, at 293 billion cubic metres (bcm) in 2030, up from 146 bcm in 2023. It is expected to jump to 438 bcm in a targeted scenario in 2050. The document is a long-term vision of the Russian energy sector which also sets goals. Oil exports are also forecast to stay broadly stable, at 235 million tons per year in 2030 - 2050, slightly up from 234 million tons in 2023. In its energy strategy, Russia expects LNG exports to jump to 142 bcm in 2030 from 45 bcm in 2023 and further to 241 bcm in 2050.

Separately, Bankers and CEOs hit the brakes on mergers and acquisitions after U.S. President launched a global trade war on April 2, with fewer deals getting signed than during the bleakest days of the COVID-19 pandemic and the 2008 global financial crisis. The number of M&A contracts signed across the world - an indicator of global economic health - fell in April to the lowest level in 20 years - or since February 2005 - according to data compiled by Dealogic for Reuters. In the U.S., the world's largest M&A market, just 555 deals were signed last month, the fewest for any month since May 2009.

U.S. energy company Expand Energy, the country's biggest natural gas producer, said it was on track to produce more gas in 2025 and 2026 to meet growing demand for the fuel.

U.S. energy firms last week added oil and natural gas rigs for the first time in four weeks, energy services firm Baker Hughes said in its closely followed report on 17-April. The oil and gas rig count, an early indicator of future output, rose by two to 585 in the week to April 17. Despite this week's rig increase, Baker Hughes said the total count was still down 34 rigs, or 5% below this time last year. Baker Hughes said oil rigs rose by one to 481 this week, while gas rigs gained one to 98. The oil and gas rig count declined by about 5% in 2024 and 20% in 2023. U.S. oil output will peak at 14 million bpd in 2027 and maintain that level through the end of the decade, before rapidly declining, the EIA said. Shale production will peak at 10 million bpd in 2027, up from about 9.7 million bpd this year, and then fall to 9.3 million bpd by 2050.

Going ahead, Prices likely to be trade between weak global growths 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.

<u>Technical Outlook</u>:-

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

Sources – Ticker Plant and Bonanza Research

Expected Support and Resistance level for the month

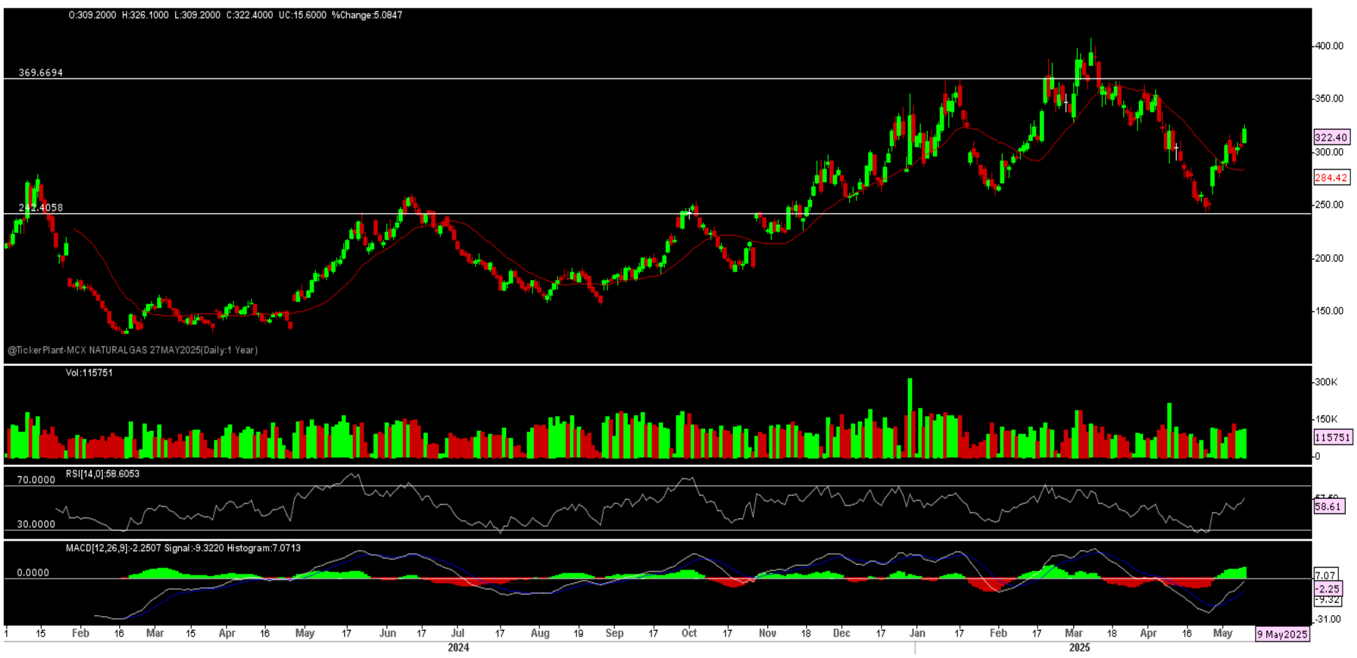
Crude	S1	S2	R1	R2
NYMEX/DG CX ($)	57.50	55.0	62.0	65.0
MCX (Rs.)	4925	4700	5275	5450

MCX trend seen Bullish as long hold S1 While Sustain below 4850-S2 seen towards 4500-4400.

Natural Gas

Technical Outlook:

On the Daily Chart MCX:



Sources – Ticker Plant and Bonanza Research

Natural Gas	S1	S2	R1	R2
MCX (Rs.)	295	275	335	350

MCX trend seen Bullish as long hold 298-S1, While Sustain Close below 295 seen towards 280-275 belt.

Base Metals

Market Outlook and Fundamental Analysis

COPPER:

Base metal complex seen a seesaw due to on one side continue pressure seen from demand concern after US President announcement on tariff & Reciprocal Tariff added by subdued economic numbers from top metal consumer China and recession fear pressure base metals in April. However, fall in dollar index and China stimulus hope support prices at every dip added by rate cut expectations from US FED. Benchmark Copper future in domestic future exchange end sharply lower by 8% followed by Zinc down 9%, Aluminum fall 7% and Lead down less than 2% in MCX for the month of April.

U.S. Treasury Secretary Scott Bessent and chief trade negotiator Jamieson Greer will meet China's economic tsar He Lifeng in Switzerland on 2nd weekend of May for talks that could be the first step toward resolving a trade war disrupting the global economy. The talks come after weeks of escalating tensions that have seen duties on goods imports between the world's two largest economies soar well beyond 100%, amounting to what Bessent on Tuesday described as the equivalent of a trade embargo. This is the first meeting between senior Chinese and U.S. officials since U.S. Senator Steve Daines met Premier Li Qiang in Beijing in March.

Chinese authorities announced on 7-May a raft of stimulus measures, including interest rate cuts and a major liquidity injection, as Beijing steps up efforts to soften the economic damage caused by the trade war with the United States. China's central bank will lower the borrowing cost of its seven-day reverse repurchase agreements, its benchmark interest rate, by 10 basis points (bps) to 1.40%, effective May 8. Other interest rates will drop in line with the key rate. The amount of cash that banks must hold as reserves, known as the reserve requirement ratio (RRR), will also be cut by 50 bps from May 15, bringing the average level to 6.2%.

China world's second-biggest economy, factory activity contracted at the fastest pace in 16 months in April, a factory survey showed, keeping alive calls for further stimulus as U.S President's "Liberation Day" package of tariffs snapped two months of recovery. China's official PMI fell to 49.0 in April versus 50.5 in March, according to the National Bureau of Statistics (NBS), the lowest reading since December 2023 and missing a Reuters forecast of 49.8. The non-manufacturing PMI, which includes services and construction, fell to 50.4

from 50.8, but remained above the 50-mark separating growth from contraction. U.S. President Trump's decision to single Beijing out for import duties of 145% comes at a particularly difficult time for China, which is struggling with deflation due to sluggish income growth and a prolonged property crisis.

China the Caixin/S&P Global manufacturing PMI slipped to 50.4 in April from 51.2 in March, beating expectations by Reuters but marking the lowest reading since January. The 50-mark separates growth from contraction. According to the survey, the rate of contraction in new export orders was the sharpest since July 2023. This also led to a slower and only marginal rise in total new orders. Firms lowered their inventories as business optimism slipped to the third-lowest since this series began in April 2012, due to the trade uncertainty.

China's first-quarter economic growth outstripped expectations, underpinned by solid consumption and industrial output, but analysts fear momentum could shift sharply lower as U.S. tariffs pose the biggest risk to the Asian powerhouse in decades. China's GDP grew 5.4% in the January-March quarter from a year earlier, unchanged from the fourth quarter, but surpassed analysts' expectations for a rise of 5.1%. Indeed, quarter-on-quarter momentum highlighted a softer underbelly, with the economy expanding 1.2% in the first quarter, slowing from 1.6% in October-December.

China Retail sales, a key gauge of consumption, rose 5.9% year-on-year in March after gaining 4.0% in January-February, while factory output growth quickened to 7.7% from 5.9% in the first two months. Both numbers topped analysts' forecasts. China's property downturn remained a drag on overall growth, with investment in the sector falling 9.9% year-on-year in the first three months. March new home prices were unchanged on month.

China's exports rose sharply in March after factories rushed out shipments before the latest U.S. tariffs took effect, but an escalating Sino-U.S. trade war has darkened the outlook for factories and growth in the world's second-biggest economy. Exports rose 12.4% year-on-year, a five-month high, handily beating 4.4% growth expected. Exports grew 2.3% in January-February. Economists warn the March export figures will be eclipsed by a fast deteriorating outlook. Inbound shipments fell 4.3%, compared with a 2.0% decrease forecast in a Reuters poll, and an unexpectedly steep contraction of 8.4% at the start of the year. China's March trade surplus was $102.64 billion, down slightly from $104.8 billion in December, the most recent comparable reading. More importantly, China's trade surplus with the United States in the first quarter came in at $76.6 billion, up from $70.2 billion a year earlier.

China is considering setting up overseas warehouses to aid international settlement of specific products on the Shanghai Gold Exchange, its central bank said. Shanghai Gold Exchange will be supported to conduct cooperation with overseas exchanges to expand usage of the yuan benchmark in the international market, the statement said. The plan to further enhance cross-border financial services in Shanghai was jointly issued by four state agencies including the People's Bank of China. China is the world's largest consumer of precious metals, but it typically follows global benchmark prices.

China's central bank has approved foreign exchange purchases by some commercial banks to pay for gold imports under recently increased quotas, according to Reuters news. The People's Bank of China's (PBOC) gold import quotas for the country's big banks determine how much bullion enters the world's leading consumer of the precious metal. It has in the past tweaked these quotas to help calibrate demand for dollars. The sources said the PBOC raised such quotas for gold imports last month and has now also allowed the banks to buy the dollars to fund these gold imports. Despite high gold prices, China's central bank also increased gold reserves for the sixth straight month in April, official data showed.

China kept benchmark lending rates steady on 21-April for the 6th successive month, matching market expectations. Policymakers are also wary of a weakening Chinese yuan and shrinking interest margins at lenders, limiting the scope for easing. The one-year loan prime rate (LPR) was kept at 3.1%, while the five-year LPR was unchanged at 3.6%.

China Copper imports also soft in the first quarter, with arrivals of unwrought copper slipping 5.2% to 1.3 million tons. But there is also a temporary factor at work in copper, with shipments to the United States rising as traders sought to take advantage of higher U.S. prices ahead of the expected imposition of a tariff on imports of the key industrial metal.

The copper market may need to rethink its bull narrative of constrained supply and worry more about weakening demand, judging by the latest forecasts from the International Copper Study Group (ICSG). The Group, which has just gathered in Lisbon for its latest twice-yearly meet, is expecting a hefty supply surplus of almost 500,000 metric tons over the course of 2025 and 2026 as global demand growth slows. That would mark three straight years of excess supply after an estimated surplus of 138,000 tons in 2024. Global copper usage rates have been revised lower "in view of uncertainty surrounding international trade policy that is likely to weaken the global economic outlook and negatively impact copper demand", the ICSG said. The Group's statistical committee now expects demand growth of 2.4% this year, a cut from its October forecast of 2.7% and down from actual growth of 2.8% in 2024. Copper usage growth is expected to slow further to 1.8% in 2026, largely reflecting an anticipated loss of momentum in China, the world's largest consumer, where growth is forecast to brake hard from 2.0% this year to just 0.8% next year. Copper mine output is forecast to rise by 2.3% in 2025 and by 2.5% next year, according to ICSG, which includes a disruption allowance in its calculations based on the deviation of actual from forecast output over the last five years.

Zambia's copper production was up about 30% on the previous year in the first quarter of 2025, reaching roughly 224,000 metric tons from around 173,000 metric tons in the first quarter of 2024, Mines Minister Paul Kabuswe said. Kabuswe said in a statement that higher production by two big companies, Konkola Copper Mines and Mopani Copper Mines, contributed to the increased overall output.

China's car sales in April rose for a third month, up 14.8% from a year earlier, as government-subsidised auto trade-ins mitigated the impact of U.S. tariffs on consumer sentiment. Passenger vehicle sales totalled 1.78 million units last month and for the first four months of 2025 were up 8.2% from the same period a year earlier at 6.97 million units, data from the China Passenger Car Association (CPCA) showed. Sales of electric vehicles and plug-in hybrids, known collectively as new energy vehicles, increased 33.9% year-on-year to make up 50.8% of total car sales last month. Car exports slid 2.2% in April from a year earlier, extending an 8% decline in March, CPCA data showed.

China's services sector saw new order growth slacken from March, weighed by uncertainty caused by U.S. tariffs, a private sector survey showed. The Caixin/S&P Global services PMI, fell to 50.7 from 51.9 in March, its lowest reading since September. The 50-mark separates expansion from contraction.

India, the world's second-biggest producer of crude steel, imposed a 12% temporary tariff, locally known as a safeguard duty, on some steel products to stem unbridled imports, a government notification said on 21-April. "The safeguard duty imposed under this notification shall be effective for a period of two hundred days (unless revoked, superseded or amended earlier) from the date of publication of this notification," the Ministry of Finance said. New Delhi's tariffs are primarily aimed at China, which was the second-biggest exporter of steel to India behind South Korea in 2024/25. India was a net importer of finished steel for the second consecutive year in the 2024/25 fiscal year, with shipments reaching a nine-year high of 9.5 million metric tons, according to provisional government data.

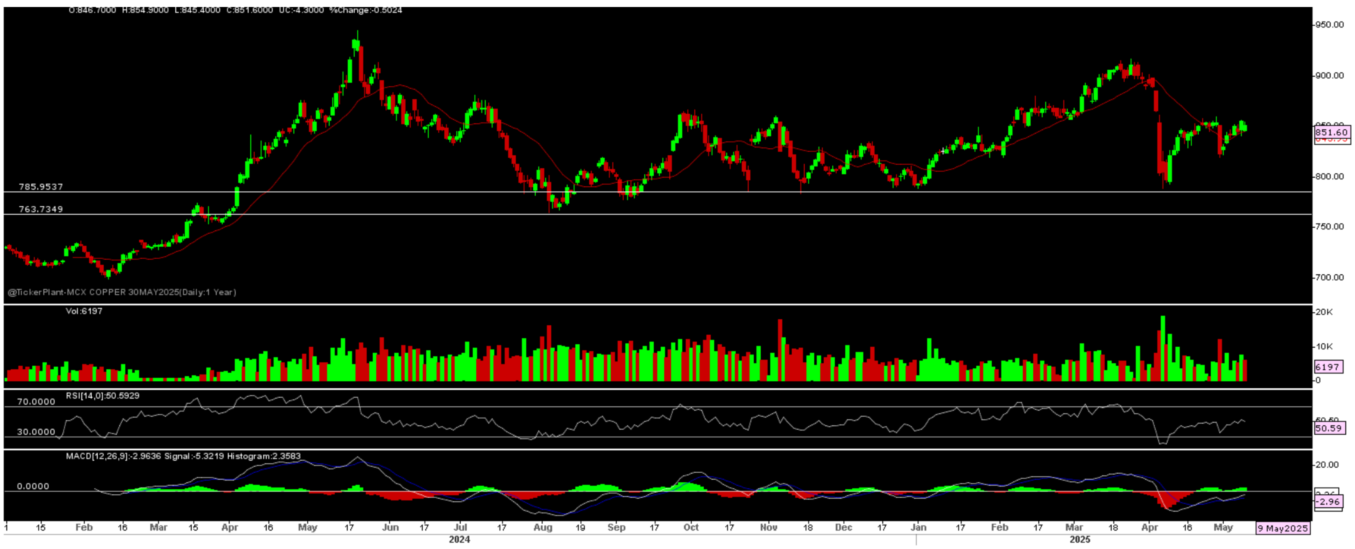
Going ahead, weak economic numbers, demand concern from top consuming countries weigh on process for short term while FED rate cut expectation which might revive demand for base metals and any fall in dollar index will support base metals at every dip.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

Base Metals

TECHNICAL OUTLOOK:

COPPER:



Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level for the month

Copper	S1	S2	R1	R2
MCX	838	820	858	870

MCX trend seen Bearish as long hold 858-864-R2, While Sustain above 870 seen towards 890-905 belt.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

LEAD:

Technical Outlook:

Sources – Ticker Plant and Bonanza Research

Expected support and Resistance level for the month

Lead	S1	S2	R1	R2
MCX	175.0	172	179	185

MCX trend seen Bullish as long hold S1 while Sustain Close above 179 seen 183-185 belt.

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

ZINC

TECHNICAL OUTLOOK:

Sources – Ticker Plant and Bonanza Research

Expected Support & Resistance level

Zinc	S1	S1	R1	R2
MCX	243	235	258	265

MCX trend seen Bearish as long hold 252-R1, While Sustain above 258 seen towards R2-270.

NICKEL

TECHNICAL OUTLOOK:

No View due to Low Volumes

MONTHLY BULLETIN (RESEARCH) Date 9th May 2025

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DATE-May 9th, 2025

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