



March 10, 2010

Briefing-

Investors to raise commodity exposure -Barclays

Institutional investors looking for higher returns expect to raise their exposure to commodities this year, a Barclays Capital survey taken last week showed. The survey of 250 institutional investors attending Barclays Capital annual European commodities conference in Barcelona showed 64 percent expect commodity inflows this year to equal or exceed last year's record \$70 billion.

Brazil's Commodities Stocks to Lead 2010 Gains, Templeton Says

Brazil's commodities stocks are expected to lead gains in 2010 with an expected pick up in the U.S. economy, according to Franklin Resources Inc.

Palm Oil Output Declines in Malaysia, Squeezing Global Supply

Palm oil production in Malaysia, the world's second-largest grower, slumped to the lowest level in almost three years in February, draining stockpiles amid concerns that dry El Nino weather will limit supplies this year. Output dropped 12 percent to 1.16 million metric tons last month from a revised 1.32 million in January, the lowest output since April 2007, according to data compiled by Bloomberg. That pared the nation's stockpiles by 11 percent to 1.79 million tons in February, the lowest level since September and less than the revised 2 million tons in January, the Malaysian Palm Oil Board said in a statement today. Tighter palm oil supplies may help extend last year's 57 percent gain in prices, which surged as demand expanded from China and India, the world's largest consumers and importers. About 82 percent of palm oil demand was met by imports last year, according to data from the U.S. Department of Agriculture.

Metals

Commodit	Suppor	Rest.	Remark
Copper	336	347	volatile
Crude	3660	3735	volatile
Gold	16700	17100	volatile
Lead	98	106	volatile
NG	202	212	Weak
Nickel	960	1055	Weak
Silver	26200	27000	Volatile
Zinc	104	110	Bullish

Mandi Rates

Commodity	Centre	Rate
Barley	Jaipur	898
Chana	Delhi	2160
Jeera	Unjha	11770
R M Seed	Jaipur	482
Soybean	Indore	2060
Ref Soya oil	Indore	457
TMC	Nizamaba	9156

Ware house position (MCX)

Commodity	Mandi	Quantity
Almond	Maharashtra	97.36MT
Cardamom	Kerala	16.5 MT
GuarSeed	Bikaner	2607 MT
Gold Guinea	Gujarat	49 KG
Mentha Oil	Chandausi	826666
Gold	Mumbai	16.00 KG
Silver	Ahmedabad	22406 KG



Commodity Watch

GOLD-Volatile

Gold prices have been gaining momentum from the Greek debt problem which spurred demand on it as a safe haven, especially as the inverse relation with the greenback became weaker.

The U.S. dollar gained versus a basket of major currencies as indicated by the dollar index which rose to 80.86 from the day's opening at 80.54. Still, the dollar is moving between support at 80.07 and resistance at 81.30 where the breakout of one of them may determine the dollar's direction in the coming period.

Gold Volatile by today despite the dollar's advance. The shiny metal slid in the last two sessions on speculations.



(Gold Daily Chart)

Technical Analysis-

Gold's fall from 17100 Level continues and at this point, intraday bias remains mildly on the downside for deeper decline. However, note that rise from 16600-700 level s in favor to continue as long as 16600 support on daily basis.

However, break of 16600 on daily basis will counter to turn outlook bearish for another fall towards this low.



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