

Commodity Morning View

December 11, 2025

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Silver extends gains, hitting a fresh record high of \$62.72

Key Points

- Fed cuts rates by 25bps in a 9-3 dovish split
- Fed revised up US GDP target
- Oracle fell 10% after market, disappointing cloud revenue, higher AI spending
- Treasuries bull steepened; 2 year led yields lower
- US Weekly jobless data in focus

Events to Watch

Data	Country	Event	Time	Previous	Forecast
11-Dec	USD	Initial Jobless Claims	8:30	220K	191K
11-Dec	USD	Trade Balance (Sep)	8:30	-62.50B	-59.60B
11-Dec	USD	Natural Gas Storage	10:30	-170B	-12B

Macro

- The DJIA, the S&P500, and the Nasdaq Composite Index rose 1.1%, 0.7%, and 0.3% respectively. The Eurostoxx 50 dipped 0.2%. The Dollar Index fell 0.4% to 98.79 and EUR-USD rose 70 pips to just under 1.1700.
- The US 2Y yield fell nearly 8bp to 3.54% and the 10Y yield fell 4bp to 4.15%. The German 10Y yield closed flat at 2.85% and the UK 10Yyield was also unchanged at 4.51%. Brent crude oil prices rose 0.4% to USD62.21 and gold rose 0.5% to USD4,229.
- FOMC Review: The FOMC made a 25 bps cut to the target range for the federal funds rate to 3.50-3.75% from 3.75-4.00%. The median rate projections were unchanged from September, so the FOMC still expects one rate cut of 25 bps in 2026 and another in 2027.
- As far as economic projections were concerned, the Fed raised its collective view of GDP growth for 2026, raising its September projection up by half a percentage point, to 2.3%. The Fed continues to expect inflation to hold above its 2% target until 2028. Unemployment rate is projected to ease from 4.5% end-2025 to 4.4% by 2026. Neutral for broader markets
- China's PPI remained in deflation for the 38th straight month since October 2022. It fell 2.2% yoy in November vs -2.1% previously. This reflects the ongoing oversupply amid domestic demand weakness and overcapacity in many industries. CPI inflation picked up to 0.7% yoy in November, the same as the Bloomberg consensus, vs 0.2% in October. Sentimentally negative for Industrial commodities
- Data watch: US Weekly jobless claims, and Natural gas inventories .

Base metals

- The base metals retreated on Wednesday on disappointing factory inflation data showing contraction, there were fresh signs of stress in the country's manufacturing sector as data showed producer prices fell for the 38th straight

month. Still, many investors are bullish on copper's long-term prospects as use accelerates in renewables, electric vehicles and data centres. The Yangshan copper premiums have edged higher to \$40/t and LME premiums have eased to \$12/t as the global warehousing inventories stood around 657kt as on Wednesday.

- The trade data showed China's copper ore imports rose 3% in November while unwrought imports of copper fell 2.3%. China unwrought aluminium exports surged to 570kt and copper unwrought imports stood around 430kt, but imports of ores have hit 2.53 million tons.
- We expect the CPI and PPI to reflate from 0% and -2.7% in 2025 to 0.7% and -0.5% in 2026. CPI will be driven by rebounding food price, narrowing decline of energy price and moderately recovering services price, while PPI will be driven by easing monetary cycle in the US and China, fiscal expansion in the EU and Japan, and continuous anti-involution efforts from China
- China's exports beat market expectation due to broad-based improvement in exports to the EU, Latin America and Africa, while exports to the US and ASEAN underperformed. Exports of integrated circuits extended its rally thanks to the global AI booming cycle, reflecting China's ongoing tech advancement. Looking forward, we expect China's goods exports may decrease from 5.2% in 2025 to 3.5% in 2026 while imports may rebound from -0.5% to 2%.

Base Metals Monitor

Exchange	Commodity	Expiry	10-Dec-25	Daily Change	Daily % Change	8-Dec-25
Comex	Gold (\$)	Spot	4228	38	0.91%	4832
Comex	Silver (\$)	Spot	61.8	3.65	6.28%	2888
MCX	Gold	Feb	129629	-291	-0.22%	11635
MCX	Silver	Mar	188574	6949	3.83%	1998
Ratio	Goldsilver ratio	-	68.41	-3.64	-5.05%	14840
Rupee	USDINR	-	89.990	0.00	0.00%	3121
Dxy	Dollar Index	-	98.78	-0.3	-0.30%	278
Bond	US-10 T.Yield	-	4.14	-0.02	-0.48%	1097
MCX	Lead	Dec	181.5	-0.5	-0.27%	182
MCX	Nickel	Dec	1333	0	0.00%	1333
MCX	Zinc	Dec	310	-4	-1.27%	314

Outlook: The base metals are expected to trade sideways with copper and Aluminium could see buying at lower levels while Zinc prices are headed lower due to slowdown in property market in China, impacting the iron-ore prices recently. The FOMC projection of one rate cut for 2026 could weigh on the broader markets but US economic growth has been revised up at 2.3%. The BoJ policy decision would be next trigger for global markets, scheduled for 19th Dec. For the day we advise buying the dips.

Bullions

Bullion Daily Change

Exchange	Commodity	Expiry	10-Dec-25	Daily Change	Daily % Change
Comex	Gold (\$)	Spot	4228	38	0.91%
Comex	Silver (\$)	Spot	61.8	3.65	6.28%
MCX	Gold	Feb	129629	-291	-0.22%
MCX	Silver	Mar	188574	6949	3.83%
Ratio	Goldsilver ratio	-	68.41	-3.64	-5.05%
Rupee	USDINR	-	89.990	0.00	0.00%
Dxy	Dollar Index	-	98.78	-0.3	-0.30%
Bond	US-10 T.Yield	-	4.14	-0.02	-0.48%

- Gold is seen advancing in Asian trading hours, following uptick in previous session, US Fed cuts rate by 25 bps though uncertainty over next year's policy outlook persisted, while silver hit an all-time peak. Spot gold rose 0.7% at \$4,236.57/oz. Chinese central bank added roughly 10 tons of gold in November, keeping up with the global trend of increased central bank buying of Gold in recent months. Positive for gold.
- Silver hit a fresh record high \$62.38, as silver institute revised up silver's industrial demand from the New age tech world, that could see persistent demand supply mismatch over coming years. While warehousing data showed inflows in Shanghai and Comex overnight. Silver prices have moved 9% in this week and are up 50% in last three months. We expect silver to observe extreme volatility support of \$57 before the next rally and the resistance remains around \$64, so advise investors to be cautious.

Outlook:

The open Market operation from Fed to increase liquidity into markets and that should keep UST yields lower and precious metals higher. the long-term story remains intact as PBoC added 10 tons of gold in November while GCB net purchases rose 53 tons in October to support the rally. The revised growth projection may see silver outperformances to continue vs gold in 2026. Gold support \$4165 Resistance \$4245.

Silver support \$57-Resistance \$63/\$65.

Energy

Energy Price Monitor

Exchange	Commodity	Expiry	10-Dec-25	Change	Daily % Change	8-Dec-25
Nymex	Crude (\$)	Jan	58.46	-0.42	-0.71%	58.88
Nymex	Natural gas (\$)	Jan	4.59	-0.40	-8.02%	4.99
MCX	Crude	Dec	5250	-73.00	-1.37%	5323
MCX	Natural gas	Dec	417	-29.00	-6.50%	446

- Oil extended gains, with WTI near \$59 and Brent above \$62, after the US seized a sanctioned tanker off Venezuela, heightening geopolitical risks and likely deterring shipments of Venezuelan crude.

- The US Crude output rebounded to 13.85 mbpd, while gasoline demand stood at 8.45mbpd, however gasoline inventories has jumped 6million last week. China's overall crude oil imports in November climbed to 12.38mn bpd, the strongest level in 27 months and November imports printed at 12.38 mbpd.
- Natural gas retreated on warmer weather forecast and expect prices to moderate around current level at Nymex while at MCX prices to fund support of Rs 400/385, overall trend looks weak.

Outlook: The short-term trend remains range bound with support coming from the simmering geo-political issues (Russia Ukraine, Venezuela and US), while inventory overhang to keep upside limited. Chinese refiners adding crude to fulfil new quota limit would also support crude oil prices. Global crude market is already in surplus of 1.5mbpd and is expected to head towards 2mbpd by H2-2026,

Short term trading range \$57-\$60

Long term trading range \$56/\$54- \$63.

Daily Price Monitor

Exchange	Commodity	Expiry	Daily trading range	Trend
MCX	Aluminium	Dec	274-280	Buy on dips
MCX	Copper	Dec	1070-1105	Buy on dips
MCX	Lead	Dec	180-185	Sell on Rise
MCX	Nickel	Dec	2200-308	Sell on Rise
MCX	Zinc	Dec	307-315	Sell on Rise
MCX	Gold	Feb	128500-131500	Buy on dips
MCX	Silver	Mar	182000-195000	Sell on Rise
MCX	Crude	Dec	5200-5350	Buy on dips
MCX	Natural gas	Dec	385-435	Sell on Rise
Comex	Gold	Spot	\$4152-\$4285	Buy on dips
Comex	Silver	Spot	\$57-\$63.50	Sell on Rise
Nymex	Crude oil	Jan	\$58-\$61.2	Buy on dips

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