



Friday, March 15, 2024

Overview

- Gold prices steadied amidst mixed economic data from the US
- IEA forecasts a tighter oil market
- Natural gas storage withdrawal surpassed forecasts

Precious Metals

Gold price fell slightly in Asian trade, but was near recent record highs in sight as markets awaited more cues on U.S. interest rates from upcoming producer price index and retail sales data. Dollar index recovered from the recent lows of near ~102.35 hovering currently around 103.50; while US 10Y Yields also reversed from 4.0% to 4.2% levels. Gold prices marked an all-time high on both Comex as well as on the domestic front, however better than expected US CPI data influenced some consolidation in the prices. Data points from the US in the previous session were reported slightly mixed keeping market participants on the edge. US retail sales was reported lower than expectations at 0.6% v/s 0.8%, while US PPI and weekly jobless claims data supported Dollar index. Strong inflation and labour market continues to justify Fed officials comments regarding further delay in rate cuts this year. Focus today will be on the US IIP, Michigan consumer sentiment and NY Fed manufacturing index. Gold on domestic front could trade in a range of Rs. 65,200 – 66,000.

Precious metals	Close (\$)	%Chg.
Gold	2162.5	0.1%
Silver	24.94	0.5%
CFTC data	Speculative Longs	Change WoW
Gold	131060	63018
Silver	15530	19673
ETF	Close	%Chg.
GOLD ETF	1914.5	-23.72
Silver ETF	24588	-31.29
Others	Close	%Chg.
DXY	103.36	0.1%
US 10Y Yields	4.29	2.5%

Base Metals

Copper prices continue inch higher hovering around the 11 month high on the back of supply tightness, however some gains in the yesterday's session were capped on the back of a firmer dollar. Chinese smelters had been hit by a sharp fall in the fees to process copper concentrate. These copper smelters pledged to control expanding capacity due to falling treatment charges on Wednesday. They have also agreed to delay the start of new projects, which could potentially tighten refined production. China's monthly refined production grew 14%/y/y to 12mt, but production curbs could cap this growth this year. Dollar index strengthened because data showed U.S. producer prices increased more than expected in February, increasing doubts over the rate cut which market participants are discounting in the June Fed meeting. Inventories in warehouses monitored by the Shanghai Futures Exchange (SHFE) have nearly tripled over the past month to 239,245 tons, weekly data show.

Energy

Oil prices surged more than 2% to almost 4-month highs as the International Energy Agency forecasted a tighter market stating oil demand in 2024 will rise by 1.3 million barrels per day, up 110,000 barrels per day from last month. The IEA raised its view on 2024 oil demand growth for a fourth time since November as Houthi attacks disrupt Red Sea shipping but warned that "the global economic slowdown acts as an additional headwind to oil use". The IEA also cut its 2024 supply forecast and now expects oil supply to rise by 800,000 bpd to 102.9 million bpd this year. Oil prices were further boosted by Ukrainian drone raids on a major Russian fuel refinery putting them out of commission. Natural gas prices were supported in latter half of the session by data that showed US utilities withdrew 9bcf of natural gas from storage last week, surpassing market expectations of a 3bcf draw.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	752	2.2%
Aluminium	2040	0.2%
Nickel	1486	0.0%
Lead	182	-0.2%
Zinc	223	0.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	108050	-875	MT
	Shanghai	239245	24758	MT
Aluminum	LME	573275	350	MT
	Shanghai	184264	-6715	MT
Nickel	LME	74178	-366	MT
	Shanghai	15347	72	MT
Lead	LME	190950	-925	MT
	Shanghai	62810	9918	MT
Zinc	LME	266025	-1725	MT
	Shanghai	108671	11061	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	81.17	0.2%
Natural gas	1.77	4.8%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	446.99	-1.54	Mnbl
Gasoline	234.08	-5.66	Mnbl
Distillate	117.90	0.89	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	183960	9230
Natural Gas	-106708	14485

MT- Metric Ton, MNBL – Million Barrel, BCF –Billion Cubic Feet.

Options Monitor

MCX Gold Mini

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
0.0%	30	0	2280	63500	37	22	126	-3.1%
-3.0%	355	66	1781.5	64000	101.5	952	1748	-3.7%
4.2%	25	13	1462	64500	168	87	115	-12.2%
-8.6%	448	486	951	65000	314.5	1773	1046	-12.4%
4.4%	47	134	680.5	65500	552.5	151	56	-27.3%
22.9%	1021	1914	462.5	66000	886	422	134	-23.9%
5.6%	19	2	280	66500	1180.5	0	0	0.0%
-0.4%	482	569	178	67000	1661	2	0	-100.0%
33.3%	4	2	100	67500	2080	0	0	0.0%

MCX Crude Oil

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
-38.8%	977	2559	281.9	6300	4.1	30813	7476	-23.5%
-62.8%	153	1195	233.4	6350	4.1	11233	2130	-35.2%
-67.1%	1039	15140	190.4	6400	3.9	66839	11827	-26.8%
-75.6%	734	9537	148.6	6450	4.1	27984	5307	-32.6%
-58.9%	2747	81022	112.2	6500	4.3	151719	18451	-20.9%
-70.6%	1368	37064	77	6550	5.5	63341	4405	-2.5%
-21.4%	7111	247717	52.2	6600	9.6	349198	19894	54.4%
-8.8%	2886	138891	31.5	6650	15.9	155333	5117	414.8%
2.5%	7141	412536	19.3	6700	27.1	368911	13791	355.1%

MCX Natural Gas

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
0.0%	1	2	25.1	115	0.1	4208	1586	147.0%
100.0%	18	150	16.1	125	0.65	11417	2239	34.9%
132.0%	1654	23402	8.8	135	2.45	37188	3764	26.6%
-5.2%	7725	93012	6.1	140	4.05	73770	8521	16.1%
-0.6%	9223	44691	3.9	145	255	21151	3375	-1.5%
-3.5%	18290	41881	2.6	150	9.5	17218	5909	-5.9%
-0.9%	6478	9493	1.65	155	13.5	1229	678	-6.6%
-2.0%	5854	3600	0.8	165	22.2	258	715	-9.5%
-32.3%	2462	3315	0.45	175	33.6	18	151	0.7%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	5,907	5,840	5,874	5,893	5,927	5,946	Bearish	Moderate	5884 - 5937
Cocudakl	NCDEX	Apr	2,709	2,647	2,678	2,706	2,737	2,765	Bearish	Moderate	2663 - 2722
Cotton	NCDEX	Mar	61,480	60,907	61,193	61,607	61,893	62,307	Bearish	Moderate	61050 - 61750
Dhaniya	NCDEX	Apr	7,860	7,601	7,731	7,885	8,015	8,169	Bearish	Moderate	7666 - 7950
Jeera	NCDEX	Mar	26,595	25,828	26,212	26,883	27,267	27,938	Bearish	Moderate	26020 - 27075
Guar Seed	NCDEX	Apr	5,255	5,224	5,239	5,261	5,276	5,298	Bearish	Moderate	5232 - 5269
Guar Gum	NCDEX	Apr	10,256	10,169	10,212	10,269	10,312	10,369	Bearish	Moderate	10241 - 10341
Mentha Oil	MCX	Mar	939	931	935	938	943	946	Bearish	Moderate	933 - 940
Turmeric	NCDEX	Apr	18,744	17,915	18,329	18,725	19,139	19,535	Bearish	Moderate	18122 - 18932

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	65595	65215	65405	65624	65814	66033	Bearish	High	65310 - 65719
Gold Comex	Comex	Mar	2163	2162	2163	2163	2163	2163	Bearish	Moderate	2163 - 2163
Silver	MCX	May	75226	74568	74897	75269	75598	75970	Bullish	High	74733 - 75434
Silver Comex	Comex	Apr	24.94	24.68	24.81	24.99	25.11	25.29	Bullish	Moderate	25 - 25
Crude	MCX	Mar	6742	6534	6638	6702	6806	6870	Bullish	High	6670 - 6838
Crude Nymex	Nymex	Apr	80.74	78.43	79.58	80.31	81.46	82.19	Bullish	Moderate	80 - 82
Nat Gas	MCX	Mar	143	135	139	142	146	148	Bearish	Moderate	137 - 144
BullDex	MCX	Mar	16761	16687	16724	16769	16806	16851	Bearish	Moderate	16706 - 16788
Copper	MCX	Mar	752.20	746	749	752	755	758	Bullish	Low	750 - 757
Zinc	MCX	Mar	223.15	220	222	224	225	228	Bullish	Moderate	221 - 225
Lead	MCX	Mar	182	180	181	182	182	183	Bullish	Moderate	180 - 182
Aluminum	MCX	Mar	203.70	202	203	204	205	206	Bullish	Moderate	203 - 204

Navneet Damani

Head Research- Currencies and Commodities

Commodity Disclosure & Disclaimer:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CRCL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

Terms & Conditions:

- This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.
- This material is for the personal information of the authorized recipient and we are not soliciting any action based upon it.
- This report is not to be construed as an offer to sell or solicitation of an offer to buy any commodity or commodity derivative to any person in any jurisdiction where such an offer or solicitation would be illegal.
- It is for the general information of clients of MOFSL. It doesn't constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.
- The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL.
- The report is based on the facts, figures and information that are considered true, correct, reliable and accurate.
- All such information and opinions are subject to change without notice.
- Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
- We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed.
- Neither MOFSL, nor any person connected with it, accepts any liability arising from the use of this document.
- The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the commodity referred to in this material may go up or down. Past performance is not a guide for future performance.
- Certain transactions including those involving commodity derivatives involve substantial risk and are not suitable for all investors.
- Reports based on technical analysis centers on studying charts of a commodity's price movement and trading volume as opposed to focusing on a commodity's fundamentals and as such may not match with a report on a commodity's fundamentals.
- Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject commodity for which Research Team have expressed their views.
- MOFSL or its associates or Research Analyst or his relatives may have Open Position in subject commodity.
- A graph of daily closing prices of commodities is available at <http://www.moneyline.co.in/>
- Opinions expressed are our current opinions as of the date appearing on this material only. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.
- The commodities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.
- This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment.
- The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the commodities mentioned in this document.
- The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein.
- The commodities described herein may or may not be eligible for trade in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
- Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.
- MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may (a) from time to time, have long or short positions in, and buy or sell the commodities mentioned herein or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodity/ (ies) discussed herein or have other potential conflict of interest with respect to any recommendation and related information and opinions. However the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the commodities mentioned in the research report.
- MOFSL and its associates and Research Analyst have not received any compensation or other benefits in connection with the research report. Compensation of Research Analysts is not based on any brokerage transactions generated by broking activities under Motilal Oswal group.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities : Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp@grievances@motilaloswal.com.