



Tuesday, March 19, 2024

## Overview

- BoJ ends negative interest rates after 17 years but continues to buy JGB bonds
- Crude oil inches higher as Iraq and Saudi pledge to reduce exports
- Gold prices traded in a range ahead of Fed meeting this week.

## Precious Metals

Gold prices regained some ground but sentiment soured on the back of growing expectations that the Federal Reserve may lean less dovish on monetary policy later this week. The Fed's two-day meeting, is expected to culminate in an unchanged decision on interest rates, but an updated outlook for the rate path ahead and economy will garner the bulk of attention. This week started on a steady note however market participants are tied between mixed economic data points and change in interest rate expectations. In the previous week, US CPI, PPI were reported higher than expectations supporting an up-move in Dollar Index from ~102.60-103.40. On other hand, US IIP and retail sales were reported lower supporting bullions. Along with Dollar Index, US Yields also inched higher from 4% to ~4.3% as bets for rate cut in June dropped significantly to 50%, capping gains for metal prices. Focus today will be on US housing numbers, which if reported better than expectations it could further support gains for Dollar. Gold on domestic front is expected to trade in a range of Rs. 65,200-66,000

Precious metals	Close (\$)	%Chg.
Gold	2161.6	0.1%
Silver	25.14	0.4%
CFTC data	Speculative Longs	Change WoW
Gold	159560	28500
Silver	26661	11131
ETF	Close	%Chg.
GOLD ETF	1929.5	14.98
Silver ETF	24881	366.96
Others	Close	%Chg.
DXY	103.43	0.2%
US 10Y Yields	4.33	0.8%

## Base Metals

Copper rose to the highest level in 11-months as concerns of supply tightness continue to mount. Chinese copper smelters are threatening to reduce output due to falling treatment charges this has been triggered by a tight concentrate market following cutbacks at mining operations late last year. However, concerns regarding China's demand is weighing on metal price, data showed inventories in SHFE warehouses rose to its highest level since 2020. China continues to be the dominant player in the base metals market but subdued economic growth and a lack of big stimulus support have left the demand outlook flat. Supply disruptions in nickel in Indonesia and zinc in South Korea helped push LME nickel and zinc prices, which are set for their fifth straight weekly gain. Meanwhile, Comex copper speculators raised their long positions to 69,941 contracts, the highest level in more than 13 months, and switched to being net long. The dollar on the other hand inched higher, backed by investors adjusting their expectations of the pace and scale of Fed cuts this year following a recent run of resilient U.S. economic data pointing to still-sticky inflation.

## Energy

Oil prices advanced higher by almost 2% Iraq pledged to reduce crude exports, easing fears about a global supply surplus. Iraq is planning to reduce its crude exports to 3.3 million barrels per day in the next months to compensate for producing more oil than promised under the OPEC+ voluntary agreement reached in January. Saudi Arabia, OPEC's top producer, saw crude shipments fall for the second consecutive month, to 6.297 million bpd in January from 6.308 million bpd in December. Prices also gained support from signs of growing demand from the US and China as factory output and retail sales beat expectations in the January-February period.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	762	-0.1%
Aluminium	205P	-0.3%
Nickel	1486	0.0%
Lead	180	-0.8%
Zinc	223	-0.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	106825	-475	MT
	Shanghai	286395	47150	MT
Aluminum	LME	568525	-3250	MT
	Shanghai	206417	22153	MT
Nickel	LME	77424	3396	MT
	Shanghai	15360	13	MT
Lead	LME	195000	4425	MT
	Shanghai	67135	4325	MT
Zinc	LME	264900	775	MT
	Shanghai	119584	10913	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	82.60	-0.2%
Natural gas	1.72	2.8%

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	169893	-14067
Natural Gas	-98042	8666

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

## Options Monitor

## MCX Gold Mini

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-10.3%	26	5	1940	63500	33	46	122	-3.2%	
-0.9%	345	49	1441.5	64000	83	777	1731	-2.1%	
-38.5%	16	14	1116	64500	134	57	133	9.9%	
-12.2%	447	1108	706	65000	264	2472	1249	11.3%	
53.7%	126	380	469.5	<b>65500</b>	513	211	81	20.9%	
28.1%	1309	3180	273.5	66000	820	212	166	23.9%	
-11.9%	37	44	169.5	66500	1123.5	0	0	0.0%	
51.7%	886	1560	93	67000	1584.5	0	0	0.0%	
0.0%	4	0	11.5	67500	2071.5	0	0	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-72.4%	1348	12241	276.6	6600	146.5	38828	6225	-19.3%	
-97.6%	31	1502	251.6	6650	163.4	6981	615	-37.5%	
65.9%	3580	67085	223.2	6700	185	82096	8279	152.4%	
-78.9%	665	17736	202.7	6750	207.5	11405	1099	12.3%	
-33.4%	2473	84131	178.9	<b>6800</b>	228.2	41028	4112	13.2%	
-83.9%	129	5411	102.7	6850	255.4	28	4	-87.5%	
-62.0%	1082	33786	141.5	6900	281.5	3371	451	-70.2%	
-93.1%	19	543	73.1	6950	256.5	0	0	0.0%	
-52.4%	1604	35395	113.4	7000	340.1	926	221	118.8%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	2	0	27.2	115	0.1	1318	1074	-6.5%	
-7.4%	25	89	14.2	125	0.3	7325	3376	18.3%	
-11.5%	1260	19845	6.95	135	1.55	39844	3997	12.5%	
-16.6%	8505	102733	4.35	140	3.35	136693	9237	9.2%	
30.0%	14084	119058	2.6	<b>145</b>	255	89493	3161	-0.4%	
5.3%	22281	119848	1.55	150	9.4	56385	5897	-1.7%	
10.7%	9267	36017	0.95	155	13.9	10023	570	-1.2%	
2.1%	6725	7485	0.45	165	23.25	107	669	-2.3%	
5.0%	2851	1588	0.25	175	32.55	18	144	-4.0%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	5,897	5,727	5,812	5,861	5,946	5,995	Bearish	Moderate	5837 - 5971
Cocudakl	NCDEX	Apr	2,638	2,599	2,619	2,649	2,669	2,699	Bearish	Moderate	2609 - 2659
Cotton	NCDEX	Mar	63,580	62,953	63,267	63,673	63,987	64,393	Bearish	Moderate	63110 - 63830
Dhaniya	NCDEX	Apr	7,718	7,622	7,670	7,750	7,798	7,878	Bearish	Moderate	7646 - 7774
Jeera	NCDEX	Mar	25,600	25,600	25,600	25,600	25,600	25,600	Bearish	Moderate	25600 - 25600
Guar Seed	NCDEX	Apr	5,178	5,094	5,136	5,187	5,229	5,280	Bearish	Moderate	5115 - 5208
Guar Gum	NCDEX	Apr	9,981	9,802	9,892	10,039	10,129	10,276	Bearish	Moderate	9847 - 10084
Mentha Oil	MCX	Mar	942	934	938	944	948	954	Bearish	Moderate	936 - 946
Turmeric	NCDEX	Apr	17,544	16,564	17,054	17,552	18,042	18,540	Bearish	Moderate	16809 - 17797

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	65608	64976	65292	65496	65812	66016	Bearish	Moderate	65394 - 65914
Gold Comex	Comex	Mar	2161	2142	2151	2156	2165	2170	Bearish	Moderate	2153 - 2168
Silver	MCX	May	75496	74777	75137	75543	75903	76309	Bullish	Moderate	75340 - 76106
Silver Comex	Comex	Apr	25.14	24.86	25.00	25.20	25.34	25.54	Bullish	Moderate	25 - 25
Crude	MCX	Mar	6802	6656	6729	6770	6843	6884	Bullish	Moderate	6750 - 6864
Crude Nymex	Nymex	Apr	82.16	79.80	80.98	81.74	82.92	83.68	Bullish	Moderate	81 - 83
Nat Gas	MCX	Mar	142	135	138	142	146	150	Flat	Moderate	140 - 148
BullDex	MCX	Mar	16768	16647	16708	16760	16821	16873	Bullish	Moderate	16734 - 16847
Copper	MCX	Mar	765.70	755	761	765	770	774	Bullish	Moderate	763 - 772
Zinc	MCX	Mar	220.95	218	220	222	223	225	Bearish	Moderate	219 - 222
Lead	MCX	Mar	178	177	177	179	180	181	Bearish	Moderate	177 - 179
Aluminum	MCX	Mar	204.60	203	204	205	205	206	Bullish	Moderate	204 - 206

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