



Thursday, March 21, 2024

## Overview

- Fed keeps rate unchanged but also raised its GDP forecast to 2.1% from the previous 1.4%
- Crude oil prices rose in Asian trade as US stockpiles decline
- Gold prices made an all-time high after market digested Fed decisions and comments

## Precious Metals

Gold and Silver prices were trading steady in the yesterday's session ahead of the Fed policy meeting. US central bank in the yesterday's session held their second fed policy meeting of this year, where they kept the interest rate unchanged but announced some changes in the inflation and growth forecasts. Federal reserve increase the inflation forecast to 2.6% and GDP from 1.4% to 2.1%, however the dot plot showed three rate cut for this year and for the next. The sentiment of at least 75bps rate cut this year, gave a boost to safe haven assets, along with that Fed also hinted on slowing the balance sheet runoff soon. Post the Fed meeting, not much reaction was seen in Dollar index and US Yields, however bets for rate cuts in the month of June was moved up from ~50% to more than 65% supporting the rally in gold and silver prices. It will now be important to see how the Fed officials prepare the market from here on. Focus today will be on preliminary manufacturing and services PMI, while Governor Powell's speech scheduled tomorrow will also be important to watch.

Precious metals	Close (\$)	%Chg.
Gold	2203.1	0.8%
Silver	25.64	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	159560	28500
Silver	26661	11131
ETF	Close	%Chg.
GOLD ETF	1938.3	3.53
Silver ETF	24733	-110.94
Others	Close	%Chg.
DXY	103.84	-0.6%
US 10Y Yields	4.26	-0.6%

## Base Metals

Base metal prices rose on the back of Fed policy meeting yesterday, supply tightens and expectations of further stimulus measures in China. The Federal Reserve held their interest rates steady but still signaled rates falling in this year by at least three-quarters of a percentage point despite recent high inflation readings. Inflation and Growth forecast for the US was revised on the higher side while the dot plot suggested that three rate cuts for this year and the next could be possible weighing on Dollar Index. China's Yunnan province which is a major producer of aluminium using hydropower to fuel its smelters is facing drought conditions. Water inflows into Yunnan's rivers have dropped 13% this year, while rainfall has been 50% lower in some cities. China in yesterday's session held their 1 Yr and 5Yr Loan prime rate (LPR) unchanged, however market participants continue to believe that there could be some tweaks in the Reserve Requirement Ratio (RRR) keeping the sentiments on the higher side.

## Energy

Oil prices plummeted about 2% ahead of the Fed announcement, overshadowing data showing that weekly oil stockpiles fell more than expected. U.S. oil inventories declined by 1.95 million barrels, compared to projections of a 0.9 million draw. Gasoline stockpiles fell by 3.3 million barrels, compared to estimates of a 1.35-million-barrel dip, while distillate supplies unexpectedly increased by 624,000 barrels, missing predictions of an 87,000-barrel decline. Oil prices were weighed down in intraday session followed by a stronger dollar as market turned cautious ahead of the Fed decision, which showed rates were unchanged but revisions to inflation growth forecasts were made. Geopolitics remain in play as Ukrainian drone raids on Russian refineries added to supply worries. The attacks have shut down almost 10% of Russian refining capacity, contributing to market tightness alongside OPEC+ output curbs. Today market participants will focus on flash manufacturing and services PMIs and Natural gas storage data.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	754	-1.2%
Aluminium	2040	-0.4%
Nickel	1486	-1.5%
Lead	178	-0.5%
Zinc	219	-1.4%

Inventory		Current	W/W Chg.	Units
Copper	LME	112325	5625	MT
	Shanghai	286395	47150	MT
Aluminum	LME	566325	-100	MT
	Shanghai	206417	22153	MT
Nickel	LME	77754	102	MT
	Shanghai	15330	0	MT
Lead	LME	267075	67300	MT
	Shanghai	67135	4325	MT
Zinc	LME	270525	3325	MT
	Shanghai	119584	10913	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	81.71	0.2%
Natural gas	1.71	-2.6%

Inventory ( EIA)	Current	W/W Chg.	Units
Crude oil	445.04	-1.95	Mnbl
Gasoline	230.77	-3.31	Mnbl
Distillate	118.52	0.62	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	
0.0%	26	2	1930.5	63500	14	55	139	0.0%
-1.5%	333	20	1467	64000	39.5	821	1523	-10.5%
0.0%	15	3	1024.5	64500	84.5	137	158	7.5%
-8.5%	443	633	672	65000	207	1516	1241	0.4%
11.3%	148	712	404.5	<b>65500</b>	424.5	437	151	79.8%
-11.0%	1115	3277	222.5	66000	720	192	177	25.5%
26.7%	57	127	91.5	66500	979.5	0	0	0.0%
6.3%	1127	727	34.5	67000	1450	0	0	0.0%
0.0%	7	0	34	67500	1943	0	0	0.0%

## MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
22.3%	1463	5471	399.9	6600	149.6	35090	4469	-29.8%
70.6%	29	173	362	6650	167	5695	556	-5.0%
3.5%	4313	30118	327.3	6700	189.2	70110	5934	-35.2%
8.3%	727	8365	295	6750	211.2	18055	992	-17.3%
124.3%	6436	103644	270.2	<b>6800</b>	239.4	93120	2724	-62.3%
220.4%	1275	15697	239.7	6850	266.3	5464	145	-66.0%
119.5%	4595	74084	216.3	6900	294.8	29594	639	-73.0%
5.6%	266	3364	192	6950	321.9	268	35	20.7%
66.0%	4334	46321	170.3	7000	361	6105	328	-68.0%

## MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
0.0%	2	0	34.6	110	0.05	57	2405	0.8%
-3.0%	350	166	23.85	120	0.05	2355	5946	2.2%
2.1%	960	6982	14.8	130	0.1	11871	6295	-11.2%
-13.3%	1037	26863	10.05	135	0.35	38862	6664	21.9%
18.5%	8185	124655	5.95	<b>140</b>	255	167404	10350	-13.7%
37.7%	17194	142720	2.95	145	4.15	141805	4250	-21.4%
16.0%	21366	105409	1.35	150	8.4	56443	4667	-16.9%
-2.4%	19888	15468	0.25	160	18.2	3845	2350	-20.4%
-6.1%	10770	5190	0.1	170	28.3	211	533	-17.7%

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	5,991	5,788	5,889	5,944	6,045	6,100	Bearish	Moderate	5917 - 6073
Cocudakl	NCDEX	Apr	2,612	2,604	2,608	2,612	2,616	2,620	Bearish	Moderate	2610 - 2618
Cotton	NCDEX	Mar	62,540	62,220	62,380	62,640	62,800	63,060	Bearish	Moderate	62300 - 62720
Dhaniya	NCDEX	Apr	7,740	7,545	7,643	7,715	7,813	7,885	Bearish	Moderate	7679 - 7849
Jeera	NCDEX	Mar	25,910	25,303	25,607	25,903	26,207	26,503	Bearish	Moderate	25755 - 26355
Guar Seed	NCDEX	Apr	5,180	5,116	5,148	5,168	5,200	5,220	Bearish	Moderate	5158 - 5210
Guar Gum	NCDEX	Apr	10,027	9,849	9,938	9,994	10,083	10,139	Bearish	Moderate	9966 - 10111
Mentha Oil	MCX	Mar	934	924	929	936	941	947	Bearish	Moderate	926 - 938
Turmeric	NCDEX	Apr	17,736	17,155	17,445	17,713	18,003	18,271	Bearish	Moderate	17579 - 18137

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	65750	65399	65575	65715	65891	66031	Bullish	Moderate	65645 - 65961
Gold Comex	Comex	Mar	2158	2130	2144	2165	2179	2200	Bearish	Moderate	2154 - 2189
Silver	MCX	May	75313	74642	74977	75240	75575	75838	Bearish	Moderate	74810 - 75408
Silver Comex	Comex	Apr	24.98	24.30	24.64	25.16	25.49	26.01	Bearish	Moderate	25 - 26
Crude	MCX	Mar	6748	6643	6695	6784	6836	6925	Bearish	Moderate	6669 - 6810
Crude Nymex	Nymex	Apr	81.68	80.34	81.01	82.11	82.78	83.88	Bearish	Moderate	81 - 82
Nat Gas	MCX	Mar	142	138	140	143	145	148	Bearish	Moderate	139 - 144
BullDex	MCX	Mar	16779	16702	16740	16781	16819	16860	Bullish	Moderate	16721 - 16800
Copper	MCX	Mar	753.60	747	750	754	757	761	Bearish	Moderate	749 - 756
Zinc	MCX	Mar	218.70	217	218	219	220	220	Bearish	Moderate	218 - 220
Lead	MCX	Mar	178	176	177	178	178	179	Bearish	Moderate	177 - 178
Aluminum	MCX	Mar	204.05	203	204	204	205	205	Bearish	Moderate	203 - 204

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