



Thursday, March 28, 2024

Overview

- Gold gained ahead of key inflation data this week
- Oil settle lower on larger than expected buildup in inventories
- Core PCE Index and GDP data from the US will be important this week to gauge the dollar

Precious Metals

Gold prices gained, as investors awaited key U.S. inflation data later this week, which could provide more clues on the Federal Reserve's policy path. Last week bullion hit a record high last week after the U.S. Fed anticipated three rate cuts in 2024 despite tight labour market and better than expected CPI data. While the gold prices marked some gains, some upward momentum was dulled by persistent strength in the dollar, which is in sight of a one-month high. Similarly, US 10Y yield is also holding steady around 4.2%, reversing well from ~4% mark. Anticipation of key PCE price index data- which is the Fed's preferred inflation gauge- and comments from top Fed officials later this week is triggering volatility in both Dollar and bullion. Fed is expected to begin trimming rates from June, with the probability currently priced in at 70%. Focus today will be on the US and UK GDP data, which could provide some direction in the market. Gold, on domestic front, is expected to trade in a range of Rs. 66,000- 67000.

Precious metals	Close (\$)	%Chg.
Gold	2193.4	0.0%
Silver	24.61	-0.2%
CFTC data	Speculative Longs	Change WoW
Gold	157467	-2093
Silver	37819	11158
ETF	Close	%Chg.
GOLD ETF	1943.9	0.67
Silver ETF	24729	31.29
Others	Close	%Chg.
DXY	104.35	0.0%
US 10Y Yields	4.22	-0.9%

Base Metals

Copper retreated to a two-week low as investors awaited more details from an upcoming meeting by Chinese smelters to cut production. Fund managers have rushed to buy copper after the price broke up out of its one-year trading range earlier this month. Copper soared to an 11-month high, earlier in the month after top Chinese smelters announced plans for joint production cuts, but did not provide details of the extent or timing of any suspensions. The discount on LME cash copper against the three-month contract expanded to a record high of \$115.37 a ton, indicating abundant near-term supply. Also dampening the enthusiasm of speculators was a strong seasonal buildup of copper inventory in China. Dollar Index is also inching higher above the 104 mark, weighing on metal prices. The pace of aluminium smelters in drought-hit Yunnan province restoring 500,000 metric tons of annual production, as dry weather continues to restrict hydropower supply is also supporting the metal.

Energy

Oil prices settled slightly lower on a surprise build up in crude and gasoline stockpiles increased by about 3.2 million barrels and gasoline stocks rose by 1.3 million barrels in the week. The dollar's strength also weighed on oil prices, particularly as traders await additional U.S. inflation and interest rate data later this week. The OPEC+ is scheduled to meet online next week to assess the market and the extent to which members are implementing the agreed-upon output cutbacks. However, the committee is unlikely to implement any oil output policy modifications until a full ministerial meeting in June. Although, oil prices continue to be supported on higher levels by tighter supplies and attacks by Ukraine on Russian fuel refineries.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	755	-0.2%
Aluminium	208 ^P	-1.1%
Nickel	1431	-2.9%
Lead	176	0.2%
Zinc	214	-1.3%

Inventory		Current	W/W Chg.	Units
Copper	LME	113100	-4300	MT
	Shanghai	285090	-1305	MT
Aluminum	LME	556525	750	MT
	Shanghai	199757	-6660	MT
Nickel	LME	76836	-240	MT
	Shanghai	15348	12	MT
Lead	LME	267850	0	MT
	Shanghai	53631	-13504	MT
Zinc	LME	263550	-2450	MT
	Shanghai	121873	2289	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	81.93	0.3%
Natural gas	1.72	8.3%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	448.21	3.17	Mnbl
Gasoline	232.07	1.30	Mnbl
Distillate	117.34	-1.19	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	219965	50072
Natural Gas	-87438	10604

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		
-73.2%	19	19	2346.5	64000	82	70	47	-97.5%	
-100.0%	0	0	1897.5	64500	62.5	0	0	-100.0%	
150.0%	145	40	1465	65000	194	563	470	-55.5%	
-100.0%	0	0	1112	65500	224.5	0	1	-99.7%	
105.4%	417	1268	861	66000	492.5	1735	642	322.4%	
-92.6%	21	68	650.5	66500	591.5	0	5	-80.8%	
-43.2%	321	733	447	67000	995.5	92	38	1166.7%	
-81.3%	3	2	213	67500	1207	0	0	0.0%	
-75.7%	234	353	193	68000	1596.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
15.9%	1463	5471	399.9	6600	149.6	35090	4469	-30.2%	
-65.5%	29	173	362	6650	167	5695	556	-47.0%	
41.9%	4313	30118	327.3	6700	189.2	70110	5934	-25.8%	
-49.0%	727	8365	295	6750	211.2	18055	992	-46.0%	
-13.4%	6436	103644	270.2	6800	239.4	93120	2724	-55.1%	
-32.3%	1275	15697	239.7	6850	266.3	5464	145	-89.4%	
-28.1%	4595	74084	216.3	6900	294.8	29594	639	-54.0%	
-60.0%	266	3364	192	6950	321.9	268	35	84.2%	
-15.7%	4334	46321	170.3	7000	361	6105	328	-12.5%	

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	384.9%	
-56.3%	350	166	23.85	120	0.05	2355	5946	166.4%	
202.8%	960	6982	14.8	130	0.1	11871	6295	150.7%	
743.1%	1037	26863	10.05	135	0.35	38862	6664	432.3%	
349.0%	8185	124655	5.95	140	255	167404	10350	204.1%	
1242.2%	17194	142720	2.95	145	4.15	141805	4250	178.1%	
165.1%	21366	105409	1.35	150	8.4	56443	4667	-48.5%	
236.7%	19888	15468	0.25	160	18.2	3845	2350	2.8%	
211.8%	10770	5190	0.1	170	28.3	211	533	-12.3%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	6,072	5,968	6,020	6,049	6,101	6,130	Bearish	Moderate	6035 - 6116
Cocudakl	NCDEX	Apr	2,558	2,526	2,542	2,557	2,573	2,588	Bearish	Moderate	2534 - 2565
Cotton	NCDEX	May	62,080	61,827	61,953	62,127	62,253	62,427	Bearish	Moderate	61890 - 62190
Dhaniya	NCDEX	Apr	7,668	7,579	7,623	7,657	7,701	7,735	Bearish	Moderate	7640 - 7718
Jeera	NCDEX	Apr	23,860	23,330	23,595	23,765	24,030	24,200	Bearish	Moderate	23680 - 24115
Guar Seed	NCDEX	Apr	5,059	5,029	5,044	5,063	5,078	5,097	Bearish	Moderate	5037 - 5071
Guar Gum	NCDEX	Apr	9,871	9,781	9,826	9,873	9,918	9,965	Bearish	Moderate	9850 - 9942
Mentha Oil	MCX	Apr	936	930	933	936	939	942	Bearish	Moderate	932 - 937
Turmeric	NCDEX	Apr	17,420	16,947	17,183	17,471	17,707	17,995	Flat	Moderate	17065 - 17589

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	66367	65814	66090	66295	66571	66776	Bullish	Moderate	66193 - 66674
Gold Comex	Comex	Apr	2191	2162	2176	2186	2201	2210	Bullish	Moderate	2181 - 2205
Silver	MCX	May	74662	74136	74399	74622	74885	75108	Bearish	Moderate	74511 - 74997
Silver Comex	Comex	May	24.75	24.32	24.53	24.66	24.88	25.01	Bullish	Moderate	25 - 25
Crude	MCX	Apr	6776	6689	6733	6766	6810	6843	Bearish	Moderate	6750 - 6827
Crude Nymex	Nymex	May	81.04	80.01	80.52	81.15	81.66	82.29	Bullish	Moderate	80 - 81
Nat Gas	MCX	Apr	144	139	142	146	149	153	Flat	Moderate	140 - 147
BullDex	MCX	Apr	16871	16752	16811	16856	16915	16960	Bullish	Moderate	16834 - 16938
Copper	MCX	Apr	759.05	752	756	758	761	763	Bearish	Moderate	757 - 762
Zinc	MCX	Mar	213.70	213	213	214	214	215	Bearish	Moderate	213 - 214
Lead	MCX	Apr	177	177	177	177	177	178	Bearish	Moderate	177 - 177
Aluminum	MCX	Mar	207.50	207	207	208	208	208	Bearish	Moderate	207 - 208

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