



Wednesday, April 03, 2024

Overview

- Gold prices surged on increased safe haven demand
- Oil prices rose on shrinking US crude stocks
- Copper prices gained on better than expected Caixin Manufacturing and Services PMI from China

Precious Metals

Gold prices surged to a record as ongoing safe-haven demand supported the metal, offsetting the impact of continuous change in rate cut expectations, and strength in Dollar & US Yields. The U.S. dollar held steady around its highest in almost five months, hovering around the 105 mark, similarly US 10Y yield is also steady around 4.2%. On data front a report showed U.S. job openings held steady at higher levels in February, US JOLTS Job Openings was reported at 8.75 million in February against the expectations of 8.74 million. Meanwhile, US manufacturing PMI and factory orders were reported better than expectations cushioning the Dollar on lower end. Cleveland Fed president Mester recently raised her prediction for interest rates over the longer term due to enduring strength of the US economy. Mixed comments from Fed officials and economic data points from US, is influencing a swift move in interest rate probability chart for June, fluctuating between 50-70%. Sentiment on the safe-haven assets has also been supported by geopolitical tensions that were ratcheted up following Iranian and Syrian media reports that an Israeli strikes hit a building next to Iran's embassy in Syria's capital. Focus today will be on EU CPI, US Services PMI and ADP employment change.

Precious metals	Close (\$)	%Chg.
Gold	2283.9	0.2%
Silver	26.33	0.8%
CFTC data	Speculative Longs	Change WoW
Gold	157720	253
Silver	30182	-7637
ETF	Close	%Chg.
GOLD ETF	1941.4	-0.32
Silver ETF	25027	88.16
Others	Close	%Chg.
DXY	104.82	-0.1%
US 10Y Yields	4.35	0.8%

Base Metals

Copper rallied above USD9,000/t as the strong economic data from China raised hope of a pick-up in demand. Better than expected Caixin Manufacturing and Services PMI from China showed expansion in the sector lifting the sentiment for metal prices. Its manufacturing activity expanded at the fastest pace in 13 months, with business confidence hitting an 11-month high, driven by growing new orders from customers at home and abroad. The US ISM's manufacturing gauge rose to 50.3 last month, indicating expansion for the first time since 2022. On other end, any rise in demand would be met with a more constrained supply side, this supply-demand dislocation is continuously giving jerk to the industrial metals. The copper concentrate market has tightened up significantly following some cutbacks to output from copper mines. This has led Chinese smelters, which produce over half the world's refined copper, to consider output cuts after treatment charges fell close to zero. SHFE will be closed on Thursday and Friday for the Qingming holiday.

Energy

Oil prices gained significantly ahead of the widely anticipated OPEC meeting further supported by shrinking US stocks and further potential supply interruptions in Russia posed a tighter outlook for global crude markets. U.S. crude inventories fell by about 2.3 million barrels for the week ended Mar. 29, compared with an increase of 9.3M barrels reported by the API for the previous week. It is also the third weekly draw in inventories over the past four weeks indicating a tightening of markets. Fears of a wider battle in the Middle East, after Iran pledged revenge against Israel for strikes on the Iranian embassy compound in Damascus, raised the risk of greater supply disruptions in the Middle East. The focus is now largely on an OPEC+ meeting later in the day, though the producer group is widely likely to maintain production levels.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	769	1.1%
Aluminium	2130	-0.3%
Nickel	1424	0.1%
Lead	178	-0.4%
Zinc	220	1.3%

Inventory		Current	W/W Chg.	Units
Copper	LME	111925	-550	MT
	Shanghai	290228	5138	MT
Aluminum	LME	551400	-3075	MT
	Shanghai	216840	17083	MT
Nickel	LME	77772	624	MT
	Shanghai	16921	362	MT
Lead	LME	273425	1225	MT
	Shanghai	49223	-4408	MT
Zinc	LME	270525	-350	MT
	Shanghai	122892	1019	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	85.16	-0.3%
Natural gas	1.86	1.3%

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	217439	-2526
Natural Gas	-85436	2002

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%	0	0	1906.5	65500	185.5	9	7	16.7%
-4.2%	386	170	1630	66000	210.5	1902	1364	31.0%
-2.2%	45	11	1341.5	66500	324.5	115	80	1.3%
-24.4%	539	693	1047	67000	436	2352	768	19.1%
0.0%	27	152	793	67500	626.5	23	8	0.0%
4.7%	533	2683	536.5	68000	853	2648	398	1630.4%
1166.7%	38	150	284.5	68500	1069.5	5	2	0.0%
911.5%	617	2199	243	69000	1483.5	190	31	0.0%
0.0%	18	35	80.5	69500	1678	0	0	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-14.7%	2363	9119	288	6700	54.9	51209	12606	7.4%
-0.3%	1018	1413	249.1	6750	64.3	11598	2843	-2.2%
-8.6%	5550	41139	217.7	6800	78.1	90516	14081	5.7%
-10.5%	564	8872	186.9	6850	91.6	18610	2593	-0.5%
1.3%	6061	125866	162.3	6900	110.9	132085	10358	43.2%
23.5%	830	31656	136	6950	130.7	29844	1309	665.5%
14.1%	4591	110452	116.3	7000	154.6	95111	5874	168.0%
137.9%	421	17295	97.9	7050	179.8	3922	85	8400.0%
87.0%	2070	66719	83.2	7100	209.7	13394	550	547.1%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
0.0%	0	0	36.35	110	0.3	2381	1422	63.4%
-8.7%	940	911	27.5	120	0.6	6272	2415	-5.9%
-33.0%	418	2576	19.1	130	1.35	15710	3665	8.4%
-14.4%	178	1986	15.15	135	2	8818	3492	-12.5%
-47.9%	1667	18898	12.15	140	255	31658	8193	19.4%
-4.3%	3251	24416	9.2	145	4.55	24766	3713	45.1%
-32.8%	7735	64379	6.95	150	6.4	48996	7315	-15.0%
-12.0%	5855	38213	3.9	160	11.8	14081	2345	0.1%
-5.4%	3352	17104	2.1	170	19.1	1351	575	-12.3%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	5,979	5,922	5,951	5,982	6,011	6,042	Bearish	Moderate	5937 - 5997
Cocudakl	NCDEX	Apr	2,624	2,597	2,611	2,628	2,642	2,659	Bearish	Moderate	2620 - 2651
Cotton	NCDEX	May	62,480	62,240	62,360	62,480	62,600	62,720	Bearish	Moderate	62420 - 62660
Dhaniya	NCDEX	Apr	7,806	7,694	7,750	7,788	7,844	7,882	Bearish	Moderate	7769 - 7863
Jeera	NCDEX	Apr	23,465	23,118	23,292	23,473	23,647	23,828	Bearish	Moderate	23383 - 23738
Guar Seed	NCDEX	Apr	5,199	5,160	5,179	5,195	5,214	5,230	Bearish	Moderate	5170 - 5205
Guar Gum	NCDEX	Apr	10,194	10,117	10,155	10,213	10,251	10,309	Bearish	Moderate	10136 - 10232
Mentha Oil	MCX	Apr	927	924	925	929	931	934	Flat	Moderate	925 - 930
Turmeric	NCDEX	Apr	16,544	15,835	16,189	16,445	16,799	17,055	Bearish	Moderate	16012 - 16622

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	68928	68323	68626	68882	69185	69441	Bullish	Moderate	68754 - 69313
Gold Comex	Comex	Apr	2261	2231	2246	2263	2278	2294	Bullish	Moderate	2254 - 2286
Silver	MCX	May	77036	74685	75860	76486	77661	78287	Bullish	Moderate	76173 - 77974
Silver Comex	Comex	May	25.92	24.70	25.31	25.80	26.41	26.90	Bullish	Moderate	26 - 27
Crude	MCX	Apr	7077	6948	7012	7068	7132	7188	Bullish	Moderate	7040 - 7160
Crude Nymex	Nymex	May	84.22	82.31	83.27	83.91	84.87	85.51	Bullish	Moderate	84 - 85
Nat Gas	MCX	Apr	157	147	152	155	160	163	Bullish	High	153 - 161
BullDex	MCX	Apr	17363	17184	17274	17330	17420	17476	Bullish	Moderate	17302 - 17448
Copper	MCX	Apr	769.30	763	766	769	772	775	Bullish	Moderate	767 - 773
Zinc	MCX	Mar	220.10	215	218	220	223	225	Bullish	High	219 - 224
Lead	MCX	Apr	178	177	177	178	179	180	Flat	Moderate	177 - 178
Aluminum	MCX	Mar	212.65	208	210	212	214	216	Bullish	High	211 - 215

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