



Friday, April 12, 2024

Overview

- Gold and silver rose, supported by safe haven demand and central bank buying despite hot inflation print from the US
- Oil prices faced volatility on growing geopolitical uncertainty and inventory build up
- Copper prices eased as stronger US dollar offset supply concerns and hopes of stronger demand

Precious Metals

Gold prices rebounded sharply in the early morning trade after hotter-than-expected U.S. inflation data dragged the metal off record highs, although safe haven demand and central bank buying kept prices close to recent peaks. US CPI data showed inflation grew more than expected in March, marking second increase in a row, reported at 3.5%. Post the sticky inflation data bets for rate cut in the month of June dropped to 20% from 50%, weighing on metal price. Fed meeting minutes, showed that Fed officials were still concerned about higher Inflation, but also stuck to the possibilities of rate cuts in this year. US PPI was reported lower than expectations at 2.1% y/, supporting the metals. Major central banks in Asia and other emerging markets were seen increasing their gold holdings in recent months, which in part boosted prices; the PBoC bought gold for a 17th consecutive month. Along with change in interest rate expectations, updates regarding geo-political tensions are also keeping the metals on higher side. The ECB held interest rates at a record high, but signaled it could start cutting as soon as June. Focus today will be on UK GDP, India CPI and Michigan consumer sentiment data.

Precious metals	Close (\$)	%Chg.
Gold	2388.5	0.6%
Silver	28.82	1.2%
CFTC data	Speculative Longs	Change WoW
Gold	178213	20493
Silver	34084	3902
ETF	Close	%Chg.
GOLD ETF	1965.2	7.95
Silver ETF	24988	-126.55
Others	Close	%Chg.
DXY	105.28	0.0%
US 10Y Yields	4.56	0.3%

Base Metals

Base metals inched higher in the early morning trade, as sentiment remains supported by ongoing supply side issues, however some gains were capped amidst the strength in Dollar. Reports of cuts by Chinese copper smelters continue to surface, increasing the supply tightness concerns. Zinc bucked trend and ended higher as the market focused on looming supply cuts, zinc smelter processing fees have fallen sharply on tightness in the concentrate market. Continuous change in expectations regarding the US interest rates after the US inflation data and FOMC meeting minutes is keeping market participants on the edge. Data showed China's consumer inflation cooled more than expected in March, while producer price deflation persisted as demand remained weak. SHFE will begin restrictions on the maximum intraday position opening volumes for the copper contract from April 12.

Energy

Oil prices fell as concerns over rising non-OPEC output and a surge in oil stocks to the biggest level since July eclipsed fears that Israel-Hamas war could escalate across the Middle East. Iran may choose to retaliate against Israel following an attack on its consulate building in Syria, keeping uncertainty levels high and supporting prices. Pressure was also felt after U.S. oil inventories grew 5.8 million barrels, much more than expectations for a build of 0.9 million, keeping supplies at the highest level since July. Also, an unexpected build in gasoline inventories also pointed to some cooling in fuel demand. In its monthly report, Opec forecasts oil demand to grow by 2.25mn b/d this year, a level unchanged since it first published a projection for 2024 in July of last year. It kept its demand growth projection for 2025 unchanged at 1.85mn b/d. Natural gas prices plunged about 6% to a 2-week low, on a bigger-than-expected storage build and forecasts for lower demand over the next two weeks with a drop in feedgas to Freeport.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	817	0.1%
Aluminium	2240	0.5%
Nickel	1549	3.4%
Lead	187	-0.4%
Zinc	244	1.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	124850	1375	MT
	Shanghai	291849	1621	MT
Aluminum	LME	524625	-1450	MT
	Shanghai	219474	2634	MT
Nickel	LME	75252	-90	MT
	Shanghai	17972	291	MT
Lead	LME	271525	0	MT
	Shanghai	51781	2558	MT
Zinc	LME	258925	0	MT
	Shanghai	123846	954	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	85.86	0.4%
Natural gas	1.77	-6.9%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	451.42	3.21	Mnbl
Gasoline	227.82	-4.26	Mnbl
Distillate	116.07	-1.27	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	229484	12045
Natural Gas	-83182	2254

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

Options Monitor

MCX Gold Mini

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.0%	1	0	2295.5	69500	485.5	2	5	25.0%	
-0.1%	812	44	1942.5	70000	631.5	938	587	35.3%	
0.0%	3	0	1528.5	70500	954.5	2	11	0.0%	
-1.5%	257	161	1472.5	71000	1019.5	437	293	23.1%	
0.0%	11	5	1092	71500	1396.5	5	10	25.0%	
12.1%	538	617	1017	72000	1560.5	80	91	16.7%	
0.0%	8	12	889.5	72500	1583.5	0	0	0.0%	
10.5%	158	189	740	73000	1910.5	0	0	0.0%	
0.0%	0	0	354.5	73500	2268.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.2%	3943	790	355.1	6800	11.8	12158	8694	-3.5%	
-1.0%	392	120	315.9	6850	17.8	3593	1480	-9.3%	
2.5%	3667	10761	270.7	6900	26.7	38592	6943	-8.0%	
-0.3%	625	2757	223.1	6950	37.5	14206	1243	-8.5%	
33.6%	4947	59817	192	7000	53.8	100882	9250	-19.8%	
2.1%	1593	14507	155.8	7050	74.6	28244	1252	-8.8%	
53.6%	8377	194565	130.7	7100	98.6	186244	8351	-20.5%	
43.8%	3537	65039	105.2	7150	126.2	52167	1062	-38.3%	
37.3%	10832	166547	85.3	7200	161.1	108750	4116	-23.0%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.0%	0	0	47.6	110	0.2	304	1304	0.9%	
4.7%	883	176	37.35	120	0.25	1935	2909	-0.9%	
36.9%	304	470	27.75	130	0.95	9974	6734	16.0%	
46.9%	144	143	24	135	1.75	5815	2827	17.8%	
102.2%	2922	10897	18.85	140	255	23320	9567	-14.3%	
9.0%	3356	11637	14.7	145	5.1	20432	4440	-7.4%	
77.3%	11728	46148	11.15	150	7.75	52349	10065	-6.2%	
71.4%	18261	51095	5.75	160	14.8	25358	4653	1.1%	
64.6%	8582	20375	2.65	170	23.4	3073	769	10.2%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Apr	5,908	5,854	5,881	5,908	5,935	5,962	Bearish	Moderate	5868 - 5922
Cocudakl	NCDEX	Apr	2,589	2,549	2,569	2,582	2,602	2,615	Bearish	Moderate	2576 - 2609
Cotton	NCDEX	May	61,520	61,000	61,260	61,480	61,740	61,960	Bearish	Moderate	61370 - 61850
Dhaniya	NCDEX	Apr	7,656	7,584	7,620	7,662	7,698	7,740	Bearish	Moderate	7602 - 7680
Jeera	NCDEX	Apr	23,935	23,652	23,793	23,957	24,098	24,262	Bearish	Moderate	23723 - 24028
Guar Seed	NCDEX	Apr	5,413	5,336	5,374	5,435	5,473	5,534	Bearish	Moderate	5355 - 5454
Guar Gum	NCDEX	Apr	10,730	10,535	10,632	10,803	10,900	11,071	Bearish	Moderate	10584 - 10852
Mentha Oil	MCX	Apr	912	902	907	911	916	919	Bearish	Moderate	909 - 918
Turmeric	NCDEX	Apr	17,062	16,707	16,885	17,127	17,305	17,547	Bearish	Moderate	16796 - 17216

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Apr	71644	70868	71256	71469	71857	72070	Bullish	Moderate	71363 - 71964
Gold Comex	Comex	Apr	2355	2308	2332	2354	2377	2400	Bullish	Moderate	2343 - 2388
Silver	MCX	May	82847	81842	82344	82627	83129	83412	Bullish	Moderate	82486 - 83271
Silver Comex	Comex	May	28.25	27.47	27.86	28.23	28.62	28.99	Bullish	Moderate	28 - 29
Crude	MCX	Apr	7109	7032	7070	7120	7158	7208	Bearish	Moderate	7051 - 7139
Crude Nymex	Nymex	May	84.45	83.22	83.84	84.86	85.48	86.50	Bearish	Moderate	84 - 85
Nat Gas	MCX	Apr	148	141	144	151	154	160	Bearish	Moderate	143 - 152
BullDex	MCX	Apr	18235	18008	18122	18198	18312	18388	Bullish	Moderate	18160 - 18350
Copper	MCX	Apr	816.55	811	814	817	820	823	Bearish	Moderate	812 - 818
Zinc	MCX	Mar	243.50	239	241	243	245	246	Bullish	Moderate	242 - 245
Lead	MCX	Apr	187	186	187	188	189	190	Bearish	Moderate	186 - 188
Aluminum	MCX	Mar	224.10	222	223	224	225	226	Bearish	Moderate	223 - 225

Navneet Damani

Head Research- Currencies and Commodities

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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

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