



Tuesday, April 23, 2024

Overview

- Gold prices languished as safe haven demand started to fade off and delayed rate cut expectations picked up
- Oil prices retreated lower as geopolitical concerns wane off
- Today, manufacturing and services PMIs will be important to watch for.

Precious Metals

Gold prices languishes, as waning concerns over a bigger war in the Middle East sapped safe haven demand for the metal, while bets on higher-for-longer U.S. interest rates also pressured prices. Bullion strengthened sharply over the past two weeks, hitting record highs above \$2,400 as Iran and Israel carried out strikes against each other. However, Iran was seen downplaying the impact of an Israeli strike on Friday, while also outlining no immediate plans for retaliation. This spurred some hopes that a conflict between the two countries may not escalate as much as the market was hoping for. The dollar steadied near five-month highs, while U.S. Treasury yields advanced as traders remained on edge over higher-for-longer interest rates. Strong inflation readings for March and hawkish signals from Federal Reserve officials influenced market to price out expectations for a June rate cut by the Fed. Any update on the increase in distress or Fed's monetary policy path ahead could provide clarity in Gold. Focus today will be on housing numbers from the US and preliminary manufacturing and services PMI data from major economies.

Precious metals	Close (\$)	%Chg.
Gold	2303.2	-1.0%
Silver	26.86	-1.2%
CFTC data	Speculative Longs	Change WoW
Gold	172861	-6281
Silver	40962	2466
ETF	Close	%Chg.
GOLD ETF	1955.8	-34.19
Silver ETF	24758	341.20
Others	Close	%Chg.
DXY	106.08	0.0%
US 10Y Yields	4.61	0.2%

Base Metals

Copper led base metal sector higher at start of this week, it was trading just shy of \$10,000/t, as investors piled in on a belief that miners could struggle to meet strong demand. However, rise in dollar index on the back of delay in rate cut expectations by the Fed weighed on metal prices. A slew of disruptions at major miners has considerably tightened the market for concentrates in recent months. So much so that, Chinese smelters have been looking to cut output amid low processing fees. The recent ban on the UK and US metal exchanges trading or holding Russia-originated metals including copper is also hanging over the market. In aluminium, orders to withdraw metal from Asian LME warehouses jumped for a fifth day. This has pushed the metal available to the market towards a record low. Metals with firm fundamentals and good liquidity have become more appealing to global financial investors amid receding U.S. interest rate cut bets, the conflict in the Middle East, and the war in Ukraine.

Energy

Oil prices retreated lower as geopolitical concerns start to wane off and participants shift their focus to market fundamentals. Bets on a conflict between Iran and Israel have diminished after Iranian Foreign Minister said that the Islamic Republic has no plans to react against Israel for its strike last week, major motivator of bets that the situation would not worsen. While oil prices rose in the immediate wake of the Israeli strikes, they quickly reversed most of their gains. Beyond supply, demand concerns remained front and center as investors considered the likelihood of higher and longer-term US interest rates weighing on economic development. Natural gas prices rose, following reports that energy companies like EQT and Chesapeake Energy delayed well completions and reduced drilling activities. Today, preliminary manufacturing and services PMIs from major economies will be important to watch.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	844	0.8%
Aluminium	2440	2.1%
Nickel	1603	3.5%
Lead	189	-0.6%
Zinc	249	1.2%

Inventory		Current	W/W Chg.	Units
Copper	LME	121200	-925	MT
	Shanghai	300045	322	MT
Aluminum	LME	500000	-4000	MT
	Shanghai	228537	-3228	MT
Nickel	LME	74928	1170	MT
	Shanghai	18883	84	MT
Lead	LME	271525	50	MT
	Shanghai	51746	-8469	MT
Zinc	LME	256175	-25	MT
	Shanghai	131747	4113	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	82.21	0.2%
Natural gas	1.80	2.2%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	459.99	2.74	Mnbl
Gasoline	227.38	-1.15	Mnbl
Distillate	114.97	-2.76	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	203897	-34253
Natural Gas	-114389	-26003

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		
-4.4%	504	127	3259.5	70000	30.5	3392	1417	-1.1%	
-9.5%	19	3	2743.5	70500	55	413	88	-9.3%	
-17.2%	241	639	2232.5	71000	95.5	5188	1181	9.0%	
32.0%	33	56	1733.5	71500	186	1472	165	75.5%	
103.6%	1144	7999	1364	72000	352	9141	927	-5.8%	
132.3%	367	2290	991.5	72500	713	1492	125	-54.4%	
59.9%	2304	10933	706	73000	1161.5	2822	454	-57.7%	
41.9%	44	97	464	73500	1488	3	1	-66.7%	
1.0%	1545	4827	281	74000	2111	143	15	-80.5%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
74.6%	316	2759	390.1	6600	98.8	45101	3498	146.7%	
0.0%	1	8	300	6650	114.6	5921	450	4.7%	
85.5%	744	28648	323.5	6700	134.5	62890	2944	79.7%	
689.5%	150	5290	296.1	6750	156.2	16181	562	117.0%	
186.4%	3660	129049	268.7	6800	181.7	146774	5045	95.5%	
60.8%	1024	25013	240.7	6850	207.2	15232	375	67.4%	
33.4%	5921	98645	220.8	6900	234.6	57921	3146	-1.2%	
-2.6%	1019	13231	197.1	6950	263.8	2817	101	-38.4%	
20.5%	9214	70961	177.4	7000	294.7	14867	2067	-15.8%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	1	0	31.8	115	0.05	3	552	0.0%	
38.9%	50	52	22.25	125	0.05	376	1428	-8.5%	
-7.2%	414	5147	12	135	0.05	16453	5173	3.4%	
-10.2%	4305	45484	7.6	140	0.25	51585	13283	3.3%	
-13.0%	5593	96365	4.25	145	255	95621	8184	42.6%	
-6.0%	16318	145827	2.15	150	3	118392	7695	4.1%	
11.8%	9469	46726	1.1	155	7	26615	1538	-12.5%	
-4.2%	5821	7932	0.3	165	16.8	1624	340	-3.1%	
5.2%	1637	1239	0.1	175	26.2	24	33	0.0%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	May	5,806	5,755	5,781	5,819	5,845	5,883	Bearish	Moderate	5768 - 5832
Cocudakl	NCDEX	May	2,581	2,541	2,561	2,575	2,595	2,609	Bearish	Moderate	2568 - 2602
Cotton	NCDEX	May	58,940	58,580	58,760	58,880	59,060	59,180	Bearish	Moderate	58820 - 59120
Dhaniya	NCDEX	May	7,478	7,389	7,433	7,477	7,521	7,565	Bearish	Moderate	7411 - 7499
Jeera	NCDEX	Apr	22,045	21,295	21,670	21,935	22,310	22,575	Bearish	Moderate	21803 - 22443
Guar Seed	NCDEX	May	5,494	5,431	5,463	5,503	5,535	5,575	Bearish	Moderate	5447 - 5519
Guar Gum	NCDEX	May	10,911	10,765	10,838	10,924	10,997	11,083	Bearish	Moderate	10802 - 10961
Mentha Oil	MCX	Apr	905	894	900	905	910	916	Bearish	Moderate	902 - 913
Turmeric	NCDEX	June	18,574	17,883	18,229	18,565	18,911	19,247	Bullish	High	18397 - 19079

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	71197	70416	70806	71551	71941	72686	Bearish	High	70611 - 71746
Gold Comex	Comex	Apr	2332	2291	2312	2347	2368	2404	Bearish	Moderate	2301 - 2358
Silver	MCX	May	80579	79093	79836	81168	81911	83243	Bearish	Moderate	79465 - 81540
Silver Comex	Comex	May	27.25	26.09	26.67	27.73	28.31	29.37	Bearish	Moderate	26 - 28
Crude	MCX	May	6834	6688	6761	6817	6890	6946	Bearish	Moderate	6725 - 6854
Crude Nymex	Nymex	May	81.90	80.04	80.97	81.63	82.56	83.22	Bearish	Moderate	81 - 83
Nat Gas	MCX	Apr	149	142	145	147	151	153	Flat	Moderate	146 - 152
BullDex	MCX	Apr	17997	17710	17854	18096	18240	18482	Bearish	Moderate	17782 - 18168
Copper	MCX	Apr	844.25	837	841	845	848	852	Bullish	Low	839 - 846
Zinc	MCX	Apr	249.45	245	247	250	252	254	Bullish	Low	246 - 251
Lead	MCX	Apr	189	186	187	189	190	191	Bullish	Moderate	187 - 189
Aluminum	MCX	Apr	243.55	240	242	243	245	246	Bullish	Moderate	242 - 245

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