



Monday, April 29, 2024

Overview

- US personal spending rises more than forecast
- Yen weakened further against the dollar
- Gold recorded weekly losses as rate cut expectations fade
- This week, Fed Interest Rate decision will be important

Precious Metals

Gold recorded its first weekly loss in six weeks as expectations of rate cuts by the Fed faded and as geo-political tensions eased. Sticky inflation has seen policymakers shift the debate from how many times they will cut rates to whether they should ease at all this year. This delay in rate cut has supported the Dollar index and US Treasury yields. Gold prices have posted significant gains in the past few months, hence some steam off was also warranted. On data front, advance US GDP slowed sharply in the last quarter to a 1.6% annual pace in the face of high interest rates. On other hand, the U.S. personal consumption expenditures (PCE) price index increased 0.3% last month, in line with forecasts, a development that is unlikely to change expectations that the Fed will hold off cutting interest rates until September. China's gold consumption in the first quarter climbed nearly 6% from a year earlier. Physical gold dealers in India charged premiums last week for the first time in nearly two months as a pullback in domestic prices lured buyers, while premiums in top consumer China slipped. Gold on domestic front is expected to trade in the range of Rs. 71,000-71,800.

Precious metals	Close (\$)	%Chg.
Gold	2332.8	0.0%
Silver	27.44	0.0%
CFTC data	Speculative Longs	Change WoW
Gold	172861	-6281
Silver	40962	2466
ETF	Close	%Chg.
GOLD ETF	1960.7	-40.24
Silver ETF	24800	-5.69
Others	Close	%Chg.
DXY	105.60	0.0%
US 10Y Yields	4.70	1.1%

Base Metals

Copper led the base metals higher as focus returned to tightening supplies. While the economic backdrop has improved in recent months, this year's rally was triggered by closures of mining operations in Latin America. The subsequent tightness in the concentrate market has seen processing fees fall close to zero. BHP Group is considering making an improved offer in coming weeks for a deal with Anglo- American, but the group has not yet made a decision on size and structure of new proposal, this could make group world's largest copper miners. Fabricators of copper tubes and wires in China are struggling to pass on higher costs to their customers. This is reflected in the Yangshan copper premium, which has slumped to almost zero. China's industrial profits fell in March and slowed gains for the quarter compared to the first two months, raising doubts about the strength of a recovery for the world's second-biggest economy. Along with development in China, focus this week will also be on US Fed policy meeting which could trigger volatility in the market.

Energy

Oil prices rose on Friday, aided by Middle Eastern tensions and supply tightness expectations. Israel's military claimed that its air force attacked in Lebanon's West Begaa District, killing a militant who was planning strikes on Israel. Although, a strong dollar and US inflation data dashed hopes that the Fed would lower interest rates soon, keeping a lid on prices. Investors are lowering their expectations that the Fed would begin cutting interest rates in the near future, despite softer-than-expected U.S. GDP statistics revealed earlier this week. Natural gas has been volatile on the back of seasonal weakness, LNG freeport abruptions and an abundant surplus of gas in storage, following some preparations for the upcoming heating season which may support prices. This week, nonfarm payrolls from the US will be important to watch.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	848	0.7%
Aluminium	2480	0.8%
Nickel	1615	0.8%
Lead	188	0.1%
Zinc	251	-1.1%

Inventory		Current	W/W Chg.	Units
Copper	LME	120400	175	MT
	Shanghai	300045	322	MT
Aluminum	LME	494875	-1675	MT
	Shanghai	228537	-3228	MT
Nickel	LME	77622	744	MT
	Shanghai	18443	42	MT
Lead	LME	266950	1725	MT
	Shanghai	51746	-8469	MT
Zinc	LME	254500	-600	MT
	Shanghai	131747	4113	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	83.84	0.1%
Natural gas	1.63	-0.9%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	453.63	-6.37	Mnbl
Gasoline	226.74	-0.63	Mnbl
Distillate	116.58	1.61	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		
0.0%	28	3	2375.5	69000	208	557	318	-9.1%	
0.0%	0	0	2044	69500	262	0	3	0.0%	
-1.3%	149	69	1652	70000	414.5	1431	735	13.8%	
0.0%	2	0	1366.5	70500	641	11	2	100.0%	
6.6%	357	1147	1129	71000	772	2140	603	53.0%	
-13.6%	19	76	942.5	71500	1072.5	22	4	100.0%	
28.1%	707	4012	746.5	72000	1303.5	809	278	43.3%	
50.0%	12	55	634.5	72500	1541	0	0	0.0%	
7.0%	799	1574	488.5	73000	2008.5	15	58	5.5%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-51.0%	274	2677	299.3	6700	61.1	24503	3753	1.3%	
-46.2%	35	105	265.7	6750	72.5	4358	881	3.9%	
-32.0%	1469	18129	236.4	6800	88.8	69858	8228	27.1%	
-25.9%	1511	4623	205.9	6850	102.1	14147	1488	39.1%	
-48.7%	4342	65434	184.1	6900	123.9	97046	6078	0.5%	
-14.1%	2196	22448	159.2	6950	144.6	26158	1100	56.7%	
-10.0%	9011	160967	137.9	7000	169.6	156080	4842	60.4%	
19.6%	1271	18694	119.3	7050	193.3	9472	860	3995.2%	
-25.3%	6116	65261	102.9	7100	226.2	31768	836	115.5%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	2	0	36.45	130	0.8	4799	1761	6.0%	
25.1%	594	1048	27.15	140	2.15	13502	4623	42.6%	
22.4%	1591	4694	19.2	150	4.8	18003	4112	2.2%	
149.2%	299	2767	15.95	155	6.8	7531	1391	25.9%	
127.2%	3910	21753	13	160	255	35223	5669	26.9%	
64.3%	2849	18476	10.4	165	12.2	14169	1775	26.8%	
41.3%	6747	25963	8.1	170	15.45	13421	3896	5.7%	
37.7%	5574	15264	4.75	180	22.9	2122	933	-1.0%	
-0.5%	2286	4589	2.75	190	30.95	72	405	2.5%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	May	5,787	5,734	5,760	5,782	5,808	5,830	Bearish	Moderate	5771 - 5819
Cocudakl	NCDEX	May	2,555	2,470	2,512	2,561	2,603	2,652	Bearish	Moderate	2491 - 2582
Cotton	NCDEX	May	58,620	58,167	58,393	58,627	58,853	59,087	Bearish	Moderate	58280 - 58740
Dhaniya	NCDEX	May	7,532	7,340	7,436	7,548	7,644	7,756	Bearish	Moderate	7388 - 7596
Jeera	NCDEX	Apr	22,665	22,195	22,430	22,695	22,930	23,195	Bearish	Moderate	22313 - 22813
Guar Seed	NCDEX	May	5,581	5,526	5,553	5,592	5,619	5,658	Bearish	Moderate	5540 - 5606
Guar Gum	NCDEX	May	11,198	11,017	11,108	11,221	11,312	11,425	Bearish	Moderate	11063 - 11267
Mentha Oil	MCX	Apr	929	916	922	931	937	945	Strong	Moderate	919 - 934
Turmeric	NCDEX	June	19,082	17,649	18,365	18,941	19,657	20,233	Bullish	Moderate	18007 - 19299

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	71214	70193	70703	71142	71652	72091	Bearish	Moderate	70923 - 71872
Gold Comex	Comex	Apr	2330	2289	2310	2327	2348	2366	Bearish	Moderate	2318 - 2357
Silver	MCX	May	80684	79079	79882	80504	81307	81929	Bearish	Moderate	80193 - 81618
Silver Comex	Comex	May	27.35	26.71	27.03	27.32	27.64	27.93	Flat	Moderate	27 - 28
Crude	MCX	May	6911	6796	6853	6900	6957	7004	Flat	Moderate	6877 - 6981
Crude Nymex	Nymex	May	82.75	80.61	81.68	82.34	83.41	84.07	Flat	Moderate	82 - 84
Nat Gas	MCX	Apr	135	130	132	136	139	143	Bearish	Moderate	131 - 138
BullDex	MCX	Apr	18032	17777	17905	18007	18135	18237	Bearish	Moderate	17956 - 18186
Copper	MCX	Apr	848.40	838	843	847	852	856	Bullish	Moderate	845 - 854
Zinc	MCX	Apr	250.60	243	247	250	254	256	Bullish	Moderate	248 - 255
Lead	MCX	Apr	188	186	187	188	189	191	Bearish	Moderate	187 - 189
Aluminum	MCX	Apr	248.45	234	241	247	254	260	Bullish	Moderate	244 - 257

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