



Friday, May 03, 2024

Overview

- Gold steadies as investors exercise caution ahead of the US non-farm payrolls data due later in the day
- Oil prices pressured amidst growing uncertainty on the demand outlook
- Gas prices rose as utilities injected 59 bcf of gas into storage last week

Precious Metals

Gold prices steadied after rebounding back above a key support level, although momentum was stalled by persistent expectations of higher-for-longer U.S. interest rates. Fed in their recent policy meeting still signaled that they were in no hurry to begin cutting interest rates. Governor Powell in his comments mentioned that inflation is still well above their 2% target and labor market is also tight, influencing a delay in rate cuts for this year. Along with delay in rate cuts, Fed governor announced an ease off in balance sheet runoff. From June Fed would reduce the cap on amount of US treasury bonds, allows to mature each month, without buying them back, from \$60bn to \$25bn. On data front, US consumer confidence was reported lower than expectations while US weekly jobless claims and Factory order were reported higher weighing on bullions. All eyes today will be on US jobs market data, i.e non-farm payroll and unemployment rate, if it is reported lower than expectations it could once again increase the rate cut probability for this year. Gold on domestic front is expected to trade in the range of ₹70, 600 and 71,700.

Precious metals	Close (\$)	%Chg.
Gold	2302.4	0.0%
Silver	26.62	-0.3%
CFTC data	Speculative Longs	Change WoW
Gold	176157	3296
Silver	39955	-1007
ETF	Close	%Chg.
GOLD ETF	1941.9	-0.31
Silver ETF	24626	-5.70
Others	Close	%Chg.
DXY	105.30	-0.1%
US 10Y Yields	4.59	-0.4%

Base Metals

Base metal prices inched higher amidst fall in Dollar index against its major crosses. Copper supply rose slightly with rising inventory in Taiwan, total stocks have recovered from a three-week low in warehouses monitored by LME. On other hand, Data showed that growth slowed in China's manufacturing and services sectors in April, suggesting a loss of momentum for the world's second-biggest economy. China's Q1 GDP reported recently also rose to 1.6% from 1.2% in Q4 2023 on a quarter-on-quarter basis, suggesting a significant gain in growth momentum. However, the composition of growth continues to shift in favour of commodity demand. Data showed that LME on-warrant inventories of aluminium in LME-registered warehouses rebounded by 88,625 tons, which a trader said was linked to recent UK and U.S. sanctions on Russian metal. Last month the LME moved to stop traders from taking Russian aluminium from its approved warehouses and returning it at a later date to profit from rule changes to comply with the sanctions. Market participants are awaiting further updates from Nyrstar regarding their recent development at its Budel smelting operation, which could resume its production at reduced capacity. Focus today will be on US jobs market data.

Energy

Crude oil prices settled lower amidst pressure from lower global demand prospects, growing inventories, and diminishing hopes for US rate cuts. Oil investors have grown concerned about a potential economic slowdown in the US, as the war between Israel and Hamas continues with no significant impact on Middle Eastern oil supply. A drop in global diesel demand has also raised concerns about slowing oil demand growth in major nations. Gasoil stockpiles, which include diesel, climbed by more than 3% in Europe's Amsterdam-Rotterdam-Antwerp refining and storage hub this week. Prices are somewhat buffered by expectations that if prices go below \$79, the United States may proceed to build up its strategic reserves. Some sources also said the OPEC+ may extend voluntary oil output cuts of 2.2 million barrels per day beyond June. Natural gas prices rose as estimates show stronger demand next week, owing in part to an increase in feedgas to LNG export plants. EIA report showed that utilities injected 59 bcf of gas into storage last week, compared to market estimates of a 55 bcf increase. Today, focus will be on US labour market data and services PMI figures.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	847	-1.1%
Aluminium	2320	-1.8%
Nickel	1617	0.0%
Lead	190	-0.3%
Zinc	257	1.2%

Inventory		Current	W/W Chg.	Units
Copper	LME	115275	-2100	MT
	Shanghai	287498	-12547	MT
Aluminum	LME	489250	0	MT
	Shanghai	223859	-4678	MT
Nickel	LME	78780	258	MT
	Shanghai	19561	258	MT
Lead	LME	268725	-1500	MT
	Shanghai	48321	-3425	MT
Zinc	LME	254875	0	MT
	Shanghai	127792	-3955	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	79.24	0.2%
Natural gas	2.04	5.1%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	460.89	7.26	Mnbl
Gasoline	227.09	0.34	Mnbl
Distillate	115.85	-0.73	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	179646	-24251
Natural Gas	-88391	25998

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		
-25.6%	32	34	1976	69000	273.5	1460	477	-2.9%	
0.0%	0	0	1633	69500	463.5	1	4	33.3%	
-7.9%	164	521	1335	70000	572.5	4921	1103	17.5%	
250.0%	7	11	1020	70500	802.5	269	35	288.9%	
9.9%	902	4589	826.5	71000	1053	2329	657	5.8%	
34.2%	161	386	648	71500	1362.5	1	6	20.0%	
-17.7%	1379	3905	493.5	72000	1766	195	231	1.8%	
27.3%	28	87	397	72500	2044.5	0	0	0.0%	
4.2%	1008	1311	311	73000	2533.5	26	54	-6.9%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
23.2%	15314	191080	126	6700	196.6	138577	6061	28.2%	
19.9%	3127	33505	106.7	6750	227.7	8494	1104	4.1%	
1.2%	15838	111458	89.9	6800	260.9	36092	4917	-11.1%	
-7.6%	4516	17199	78.9	6850	299.1	4956	1012	-2.3%	
-5.3%	19513	72418	66.4	6900	338.8	12520	4534	-10.0%	
-10.5%	5342	12201	56.8	6950	376.3	1797	3055	0.0%	
-6.5%	24581	67775	49.3	7000	426.1	5613	2544	-7.1%	
-16.0%	2412	4372	44	7050	468.9	36	762	-1.7%	
-16.3%	11652	19045	37.5	7100	513.2	289	270	-37.5%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.7%	407	382	24.2	140	0.9	9825	5294	11.1%	
-8.0%	1250	4740	16.4	150	2.15	17527	5790	20.7%	
-36.1%	2746	29136	10.4	160	4.85	40755	8542	20.8%	
-49.8%	1698	35837	8.05	165	6.75	29419	2520	28.6%	
-33.1%	5233	48983	6.1	170	255	32519	4688	2.8%	
-18.5%	5197	19081	4.45	175	11.85	6867	805	-24.3%	
-17.7%	6084	28793	3.35	180	15.1	4704	969	-4.6%	
-1.0%	3122	10022	1.8	190	22.7	448	433	5.4%	
3.2%	4910	12529	1.1	200	31.15	37	1093	-0.3%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	May	5,657	5,503	5,580	5,677	5,754	5,851	Bearish	Moderate	5629 - 5803
Cocudakl	NCDEX	May	2,569	2,488	2,529	2,551	2,592	2,614	Bearish	Moderate	2540 - 2603
Cotton	NCDEX	May	57,280	56,787	57,033	57,247	57,493	57,707	Bearish	Moderate	56910 - 57370
Dhaniya	NCDEX	May	7,388	7,305	7,347	7,413	7,455	7,521	Bearish	Moderate	7326 - 7434
Jeera	NCDEX	May	24,570	23,077	23,823	24,252	24,998	25,427	Bearish	Moderate	24038 - 25213
Guar Seed	NCDEX	May	5,430	5,352	5,391	5,446	5,485	5,540	Bearish	Moderate	5372 - 5466
Guar Gum	NCDEX	May	10,871	10,717	10,794	10,889	10,966	11,061	Bearish	Moderate	10756 - 10928
Mentha Oil	MCX	May	932	908	920	932	944	956	Bullish	High	926 - 950
Turmeric	NCDEX	June	19,154	18,673	18,913	19,201	19,441	19,729	Bullish	Moderate	18793 - 19321

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	70736	69795	70265	70772	71242	71749	Bearish	Moderate	70030 - 71007
Gold Comex	Comex	May	2299	2273	2286	2305	2319	2338	Bearish	Moderate	2280 - 2312
Silver	MCX	July	81363	79745	80554	81084	81893	82423	Bearish	Moderate	80150 - 81489
Silver Comex	Comex	June	26.71	25.83	26.27	26.59	27.03	27.35	Bearish	Moderate	26 - 27
Crude	MCX	May	6601	6494	6547	6613	6666	6732	Bearish	Moderate	6521 - 6640
Crude Nymex	Nymex	June	78.48	77.15	77.81	78.58	79.24	80.01	Bearish	Moderate	77 - 79
Nat Gas	MCX	May	170	161	165	168	173	176	Bullish	Moderate	167 - 174
BullDex	MCX	May	17888	17650	17769	17880	17999	18110	Bearish	Moderate	17710 - 17940
Copper	MCX	May	845.95	832	839	850	857	868	Bearish	Moderate	836 - 854
Zinc	MCX	May	256.85	250	253	256	259	262	Bearish	Moderate	255 - 260
Lead	MCX	May	191	189	190	191	192	192	Bullish	Moderate	189 - 191
Aluminum	MCX	May	231.95	226	229	233	236	240	Bearish	Moderate	228 - 235

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