



Thursday, May 09, 2024

Overview

- Dollar holds its ground as key inflation data looms
- Crude rises as inventory falls by 1.4 mbpd
- Bank of England meet today; rates to remain unchanged at 5.25%

Precious Metals

Gold continue to trade steady, as recent comments from Federal Reserve officials saw markets second-guess expectations for interest rate cuts and offset the impact of geo-political tensions. Bullions saw little support from a recent decline in the dollar, as the greenback rebounded at the start of this week, after several Fed officials said the central bank was more likely to keep rates unchanged in 2024. Safe haven appeal for gold increased this week as a conflict between Israel and Hamas worsened and ceasefire talks yielded little progress. Market participants are still hopeful that truce talks will be successful and lower some tensions in the Middle East. Fed officials, this entire week, have been actively presenting their case regarding the overall interest rate scenario for this year. Fed official Kashkari in this comments mentioned that interest rates could stay higher for an extended period of time and can't rule out a rate hike. Expectations of a September rate cut had risen after weak payrolls data last week. But Kashkari and his peers said that sticky inflation still remained a key point of contention for the Fed, lowering the rate cut probability, once again. Focus today will be on BOE monetary policy meeting and US weekly jobless claims data. Gold on domestic front is expected to trade in the range of ₹70,550 and 71,500.

Precious metals	Close (\$)	%Chg.
Gold	2309.7	0.0%
Silver	27.45	0.4%
CFTC data	Speculative Longs	Change WoW
Gold	167139	-9018
Silver	33760	-6195
ETF	Close	%Chg.
GOLD ETF	1942.3	6.21
Silver ETF	24615	0.00
Others	Close	%Chg.
DXY	105.55	0.0%
US 10Y Yields	4.50	0.7%

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Base Metals

Base metals inched lower in the yesterday's session on the back of some profit booking and a firm dollar. Tight supplies continue to underpin the market, however, Indonesia's announcement that it would extend copper concentrate export permits for Freeport Indonesia, which will help ease shortages has grabbed market attention. The recent closure of copper mines and the difficult operating conditions many mining regions are now raising doubts over future growth from the industry. This was magnified by BHP's takeover proposal for Anglo American, as it looks to increase its exposure to the metal via acquisitions rather than development of new resources. Sluggish Chinese demand is reflected in copper inventories at warehouses monitored by the Shanghai Futures Exchange (SHFE) climbing to above 287,000 tons from around 33,000 tons at the start of this year. The Yangshan premium dropping to a record low near zero in April is an indication of China's fading appetite for copper imports.

Energy

Oil prices settle slightly higher after data indicated that U.S. oil stockpiles fell last week as refiners gradually ramped up output ahead of the summer driving season, but a firm dollar limited gains. Data showed inventories dropped last week by 1.4mb to 459.5mb whereas rising gasoline stocks, which rose unexpectedly by more than 900,000 barrels to 228 million barrels, kept prices from moving higher. Also limiting gains were hopes for a Middle East ceasefire, with the US stating earlier this week that negotiations on a Gaza truce should be able to reduce the gap between Israel and Hamas negotiations. Updates regarding US SPR buying will also be important to keep an eye on. The Biden administration has raised the price it is willing to pay to refill the country's depleted strategic oil reserve, the energy department mentioned that it will pay as much as \$79.99/bbl up from an informal cap of \$79/bbl. Natural gas inched slightly lower on some profit booking, after inching higher for 4 consecutive days on reduced output and forecasts predicting higher demand in the next two weeks. Today, natural gas storage will be in focus which is expected to come in at 87B.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	855	-0.2%
Aluminium	2320	-0.1%
Nickel	1616	0.0%
Lead	194	-0.3%
Zinc	258	1.1%

Inventory		Current	W/W Chg.	Units
Copper	LME	106000	-1350	MT
	Shanghai	287498	-12547	MT
Aluminum	LME	482600	-3450	MT
	Shanghai	223859	-4678	MT
Nickel	LME	79872	-24	MT
	Shanghai	19830	0	MT
Lead	LME	246850	-11950	MT
	Shanghai	48321	-3425	MT
Zinc	LME	252750	-975	MT
	Shanghai	127792	-3955	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	79.41	0.2%
Natural gas	2.19	-0.9%

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	172689	-6957
Natural Gas	-103768	-15377

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		
3.4%	30	3	2321.5	69000	131	899	505	-4.2%	
0.0%	0	0	1822.5	69500	193.5	2	3	-25.0%	
0.5%	204	70	1429.5	70000	290.5	2957	1124	3.8%	
-7.1%	13	2	1103	70500	520.5	20	36	-14.3%	
8.1%	839	2292	836	71000	668	2489	715	4.4%	
3.8%	217	328	630.5	71500	979	15	12	50.0%	
3.2%	1686	3299	446	72000	1269.5	181	237	12.3%	
15.0%	23	38	325	72500	1595	0	0	0.0%	
-2.8%	1003	849	241.5	73000	2227	2	57	-3.4%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	22	2028	246.9	6350	26.8	21209	688	69.9%	
30.3%	3003	96452	225	6400	34.8	133190	4872	76.1%	
685.3%	1013	31515	190.9	6450	46.7	57662	2441	52.9%	
5.2%	5908	259497	156.9	6500	61.4	257604	11284	44.2%	
21.7%	1842	82972	128.5	6550	80.1	55143	2988	9.3%	
-10.2%	12009	221690	103.2	6600	103.5	177279	11077	41.7%	
-0.1%	4525	45888	79.2	6650	130.9	16969	1020	6.1%	
-16.0%	10638	105559	62	6700	163.1	54600	4421	6.9%	
-12.8%	2305	19571	47.6	6750	197.4	3163	1012	-0.6%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-3.1%	1073	88	34.95	150	0.7	5903	6963	-4.6%	
-5.0%	948	871	25.8	160	1.5	18094	9751	-1.8%	
-9.0%	3106	6510	17.6	170	3.5	28688	9248	-11.3%	
-2.5%	3401	6563	14.05	175	5	15595	3779	-9.1%	
6.0%	6018	42355	11	180	255	56895	6058	-2.8%	
57.2%	4960	46086	8.5	185	9.75	33490	1309	-16.0%	
28.7%	7444	63182	6.4	190	12.8	36413	1721	37.7%	
7.9%	5490	36101	3.4	200	20.2	7233	1412	14.5%	
16.9%	3033	18700	1.85	210	28.6	153	179	10.5%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	May	5,576	5,482	5,529	5,566	5,613	5,650	Bearish	Moderate	5548 - 5632
Cocudakl	NCDEX	May	2,584	2,559	2,571	2,591	2,603	2,623	Bearish	Moderate	2565 - 2597
Cotton	NCDEX	May	57,580	57,153	57,367	57,513	57,727	57,873	Bearish	Moderate	57440 - 57800
Dhaniya	NCDEX	May	7,326	7,195	7,261	7,305	7,371	7,415	Bearish	Moderate	7283 - 7393
Jeera	NCDEX	May	26,500	25,100	25,800	26,550	27,250	28,000	Bearish	Moderate	25450 - 26900
Guar Seed	NCDEX	May	5,412	5,376	5,394	5,422	5,440	5,468	Bearish	Moderate	5385 - 5431
Guar Gum	NCDEX	May	10,708	10,598	10,653	10,719	10,774	10,840	Bearish	Moderate	10626 - 10747
Mentha Oil	MCX	May	931	923	927	931	936	940	Bearish	Moderate	929 - 938
Turmeric	NCDEX	June	18,878	17,759	18,319	18,709	19,269	19,659	Bullish	High	18514 - 19464

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	71127	70700	70914	71114	71328	71528	Flat	Moderate	70807 - 71221
Gold Comex	Comex	May	2314	2321	2318	2321	2318	2321	Flat	Moderate	2320 - 2320
Silver	MCX	July	82994	81954	82474	82820	83340	83686	Bullish	High	82647 - 83513
Silver Comex	Comex	June	27.47	26.95	27.21	27.40	27.66	27.84	Flat	Moderate	27 - 28
Crude	MCX	May	6587	6366	6477	6544	6655	6722	Flat	Moderate	6511 - 6689
Crude Nymex	Nymex	June	78.56	75.83	77.19	78.00	79.36	80.17	Flat	Moderate	78 - 80
Nat Gas	MCX	May	183	176	179	185	188	193	Bullish	Moderate	178 - 186
BullDex	MCX	May	18073	17951	18012	18051	18112	18151	Flat	Low	18032 - 18132
Copper	MCX	May	855.00	844	850	856	861	867	Bearish	Moderate	847 - 859
Zinc	MCX	May	258.20	251	255	258	262	265	Bearish	Moderate	253 - 260
Lead	MCX	May	194	192	193	194	194	195	Bullish	Moderate	192 - 194
Aluminum	MCX	May	232.35	229	231	232	234	236	Bearish	Moderate	230 - 233

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