



Friday, May 10, 2024

Overview

- BoE leaves rates unchanged at 5.25%
- Natural gas inventories came in lesser than expected, further boosting prices
- Initial Jobless Claims came in at 231K

Precious Metals

Gold and silver prices inched higher after trading for the past few sessions amidst better than expected economic data from the US and a fall in US Yields. This week is relatively light with regards to the economic numbers from the US however, comments from Fed officials, BOE monetary policy meeting and US weekly jobless claims were a few important events. After a lower than expected US Non-farm payroll number reported last week, it was important to keep an eye on US jobless claims, to see if ease off in the labor market continues. US weekly jobless claims was reported better than expectations, higher levels in more than a six month high, 231k v/s 212k. This significant jump in claims once again raised hopes for a rate cut in the month of September- the bets for the same are currently at 50%. The BOE in the policy meeting yesterday, held interest rates at 5.25% for the sixth successive meeting, despite growing evidence that inflation is under control. Fed officials comment this entire week has been against an early rate cut this year amidst sticky inflation concerns. Attacks from Israel continues, putting a cold water on the hopes for truce talks and boosting the safe haven appeal for gold and silver. Sentiments on the domestic front also witnessed some support on the back of Akha Teej festival. Focus today will be on UK GDP, Michigan consumer sentiment and India IIP. Gold on domestic front is expected to trade in the range of ₹71,900 and 72,550.

Precious metals	Close (\$)	%Chg.
Gold	2349.6	0.2%
Silver	28.31	-0.1%
CFTC data	Speculative Longs	Change WoW
Gold	167139	-9018
Silver	33760	-6195
ETF	Close	%Chg.
GOLD ETF	1934.9	-7.41
Silver ETF	24558	-56.85
Others	Close	%Chg.
DXY	105.23	0.1%
US 10Y Yields	4.46	-1.0%

Base Metals

Base metals prices gained in yesterday's session underpinned by renewed expectations of interest rate cuts in the United States following soft jobs data. Unemployment claims in the United States rose last week to the highest level in more than six months, offering more evidence that labor market was steadily cooling. Higher prices are raising concerns over demand destruction, however, the fundamental data remain positive. China's strong industrial activity resulted in rising imports for all commodities in April. It looks like that the composition of economic growth is favoring commodity demand, particularly acceleration in manufacturing and the energy transition. 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.

Energy

Oil prices inched higher headed for weekly gains, after data showed China's trade balance grew less than expected in April, with imports blowing past expectations coming in at 44.7 million tons. Stronger imports signaled improving domestic demand and Chinese economic resilience, increasing hopes that the world's largest importer of crude was recovering economic strength. Middle East tensions remained in play as Israeli tanks and jets shelled Rafah, Palestinian residents reported, following President Joe Biden's statement that the US would withhold weaponry from Israel if its forces launched a big invasion of the southern Gaza enclave. Also supporting prices were the U.S. crude inventories this week which fell as expected with refining and fuel demand set to increase tracking higher travel demand during summer. Natural gas prices rose, as gas in storage across the United States increased by 79 bcf in the week ending May 3 against an expectation of 87 bcf coupled with forecasts predicting higher demand in the next two weeks and reduced output.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	860	-1.2%
Aluminium	2340	-0.9%
Nickel	1597	-1.1%
Lead	194	0.2%
Zinc	259	-1.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	104375	-1625	MT
	Shanghai	287498	-12547	MT
Aluminum	LME	479850	-2750	MT
	Shanghai	223859	-4678	MT
Nickel	LME	80004	132	MT
	Shanghai	19842	12	MT
Lead	LME	240875	-5975	MT
	Shanghai	48321	-3425	MT
Zinc	LME	252125	-625	MT
	Shanghai	127792	-3955	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	79.71	0.2%
Natural gas	2.34	5.0%

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		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.0%	0	2	1790.5	69500	153.5	3	3	0.0%	
-12.3%	179	232	1440.5	70000	182.5	2627	1230	9.4%	
-23.1%	10	3	1088	70500	358	15	33	-8.3%	
-33.7%	556	3540	798.5	71000	455	3406	1057	47.8%	
-15.7%	183	1116	604.5	71500	692	93	16	33.3%	
-27.3%	1226	5276	409.5	72000	961.5	381	233	-1.7%	
21.7%	28	40	288	72500	1238.5	0	0	0.0%	
10.1%	1104	2008	215.5	73000	1900.5	16	58	1.8%	
0.0%	2	0	670	73500	2027.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
-47.5%	1577	20961	217.8	6400	22.8	43208	4194	-13.9%	
-86.6%	136	5586	179.1	6450	33.1	21614	1915	-21.5%	
-26.3%	4355	87703	147.3	6500	46.2	122467	8825	-21.8%	
-16.8%	1532	40944	117.8	6550	62	61084	2838	-5.0%	
-0.8%	11914	243684	92.2	6600	84.2	244055	10608	-4.2%	
5.7%	4783	91394	68.5	6650	109.5	77163	1193	17.0%	
26.1%	13415	189886	52.2	6700	140.3	141746	5953	34.7%	
-100.0%	0	0	84.6	6750	174.3	15982	1808	78.7%	
0.3%	10663	71281	29.4	6800	215.9	39652	3494	-8.9%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
-6.9%	883	994	23.75	160	0.9	23550	11326	16.2%	
-15.0%	2641	8868	15.8	170	1.9	32350	11444	23.7%	
-15.7%	5072	49207	9.55	180	4	64460	9791	61.6%	
-45.8%	2687	46756	7.15	185	5.75	32943	3276	150.3%	
-22.6%	5764	69128	5.4	190	255	40923	4217	145.0%	
21.6%	2001	31045	3.95	195	10.5	8302	640	321.1%	
-1.9%	5386	46012	2.8	200	13.45	8941	1575	11.5%	
-12.0%	2670	20463	1.45	210	21	367	190	6.1%	
10.5%	3496	13579	0.75	220	29.75	65	445	-3.9%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	May	5,652	5,627	5,639	5,661	5,673	5,695	Bearish	Moderate	5633 - 5667
Cocudakl	NCDEX	May	2,613	2,588	2,601	2,614	2,627	2,640	Bearish	Moderate	2595 - 2621
Cotton	NCDEX	May	57,420	57,220	57,320	57,420	57,520	57,620	Bearish	Moderate	57270 - 57470
Dhaniya	NCDEX	May	7,376	7,316	7,346	7,394	7,424	7,472	Bearish	Moderate	7331 - 7409
Jeera	NCDEX	May	25,955	25,022	25,488	26,092	26,558	27,162	Bearish	Moderate	25255 - 26325
Guar Seed	NCDEX	May	5,433	5,367	5,400	5,444	5,477	5,521	Bearish	Moderate	5384 - 5461
Guar Gum	NCDEX	May	10,711	10,544	10,627	10,734	10,817	10,924	Bearish	Moderate	10586 - 10776
Mentha Oil	MCX	May	941	921	931	939	949	957	Bullish	High	935 - 953
Turmeric	NCDEX	June	18,730	18,450	18,590	18,770	18,910	19,090	Bullish	Moderate	18520 - 18840

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	71639	70577	71108	71408	71939	72239	Bullish	Moderate	71258 - 72089
Gold Comex	Comex	May	2332	2299	2315	2327	2344	2356	Flat	Moderate	2321 - 2350
Silver	MCX	July	84499	82583	83541	84058	85016	85533	Bullish	Moderate	83800 - 85275
Silver Comex	Comex	June	28.23	26.99	27.61	28.03	28.65	29.06	Bullish	High	28 - 29
Crude	MCX	May	6606	6544	6575	6625	6656	6706	Flat	Moderate	6560 - 6641
Crude Nymex	Nymex	June	78.80	78.00	78.40	78.86	79.26	79.72	Flat	Moderate	79 - 79
Nat Gas	MCX	May	191	175	183	188	196	201	Bullish	High	186 - 199
BullDex	MCX	May	18238	17973	18105	18183	18315	18393	Bullish	Moderate	18144 - 18354
Copper	MCX	May	859.85	848	854	857	863	867	Bearish	Moderate	856 - 865
Zinc	MCX	May	258.80	253	256	258	261	263	Bearish	Moderate	257 - 262
Lead	MCX	May	194	192	193	194	194	195	Bullish	High	193 - 195
Aluminum	MCX	May	234.25	230	232	233	235	236	Flat	Moderate	233 - 236

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