



Tuesday, May 28, 2024

Overview

- Gold prices steady ahead of US PCE Inflation
- Oil prices firm up ahead of OPEC+ decision
- Copper prices dipped on signs of profit booking
- This week, US GDP and PCE Inflation will be important.

Precious Metals

Gold prices rose slightly, recouping some of last week's losses as traders remained cautious towards metal markets ahead of a key U.S. inflation reading this week. Meanwhile, Silver was up by more than 4% in the yesterday's session amidst updates from China regarding further support to property sector, surge in industrial metals and rise in geo-political tensions. Shanghai has announced property sector support measures like, they have cut, down-payment requirement, lowered minimum mortgage rates and few other factors. There were also updates regarding exchange of fire between Israel and Egypt, sources also suggest that North Korea fired missiles at Japan, also China's training exercises near Taiwan's border have increased. These updates regarding geo-political tensions is boosting the safe haven appeal for both Gold and silver. Further updates and clarity on these developments will be required for further direction in prices. Even with US and UK markets being shut on the back of holiday sharp volatility was witnessed in the market. Last week, a survey showed US consumers expect prices to climb less quickly than earlier in the month. This raised hopes that the Fed's inflation gauge due out later this week will show further signs. Market participants will keep an eye on Fed official's comments and US consumer confidence data, scheduled later today.

Precious metals	Close (\$)	%Chg.
Gold	2354.3	0.2%
Silver	31.80	0.4%
CFTC data	Speculative Longs	Change WoW
Gold	193972	21030
Silver	37703	-3918
ETF	Close	%Chg.
GOLD ETF	1568.6	13.90
Silver ETF	11433	0.00
Others	Close	%Chg.
DXY	104.60	-0.1%
US 10Y Yields	4.46	0.0%

Base Metals

Base metal prices traded steady in the previous session as US and UK were shut on the back of public holiday. However, updates regarding China's announcement to boost its property sector and geo-political tensions, kept the market participants on the edge. Shanghai has announced several measures to support its property sector, like cut in the down payment requirement, lowering minimum mortgage rates, ease in the overall restrictions during house purchases and a few others. Copper stockpiles rose by 9,400t last week to 424,500t, despite warnings of output cuts amid weak processing fees, Chinese smelters have maintained relatively high production rates. Shanghai aluminium futures rose, buoyed by a price rally in key raw material alumina and fast-growing demand from the new energy sector. The surge came with investors' bets on looming shortages of alumina amid slow domestic production and news of overseas supply disruptions, including Rio Tinto declaring force majeure on Queensland alumina exports, further supported prices. China's industrial profits swung back into positive territory in April while growth over the first four months held steady, suggesting policies to bolster the economy were starting to take effect. Focus for this week, shifts to Chinese PMI numbers and on US GDP and Inflation data.

Energy

Oil prices ticked higher by ~1% despite a muted trading session owing to holidays in the UK as well as the United States as market participants turn their focus to US inflation data this week which will provide an outlook for US interest rates in further meetings. Oil prices have gained some momentum owing to the beginning of summer driving season which will aid demand pick up. Some geopolitical tension was also on the radar as some sources suggested North Korea fired missiles at Japan and the ongoing training exercises by China near the border have picked up speed, all of which will be important to watch out for. This week, the core PCE index will be released which is the preferred measure of inflation of the Fed. Natural gas prices slightly dipped from recent high on signs of some profit booking. Market participants anticipate the OPEC+ online meeting on June 2 and where the producers will discuss whether to extend voluntary output cuts of 2.2 mbpd in H2'24.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	889	-0.8%
Aluminium	2400	0.4%
Nickel	1710	-0.3%
Lead	188	-0.4%
Zinc	273	0.9%

Inventory		Current	W/W Chg.	Units
Copper	LME	112675	2650	MT
	Shanghai	290376	2878	MT
Aluminum	LME	1124700	-3075	MT
	Shanghai	211698	-12161	MT
Nickel	LME	83988	-54	MT
	Shanghai	19825	-17	MT
Lead	LME	198750	-3425	MT
	Shanghai	62211	13890	MT
Zinc	LME	257225	-400	MT
	Shanghai	131178	3386	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	78.88	0.3%
Natural gas	2.58	-5.4%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	458.85	1.83	Mnbl
Gasoline	226.82	-0.94	Mnbl
Distillate	116.74	0.38	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	172286	43540
Natural Gas	14455	27156

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		
-81.9%	15	93	1356	70000	0.5	6622	1155	18.5%	
-25.0%	3	5	958.5	70500	1	364	99	-29.3%	
-60.0%	371	1629	472	71000	0.5	9304	1039	-31.3%	
-90.0%	33	1779	195.5	71500	0.5	4819	187	-51.0%	
-89.5%	207	20741	46.5	72000	8.5	9226	135	-80.1%	
-13.0%	295	7100	15.5	72500	515.5	295	36	-62.5%	
-29.0%	1258	8069	12.5	73000	1027	500	122	-74.0%	
-77.5%	98	604	6.5	73500	1451	121	22	-83.1%	
-45.5%	1381	6333	8	74000	2028	85	48	-53.8%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-46.2%	497	4739	267.5	6300	70.6	24507	5647	0.5%	
3.0%	278	614	234.2	6350	84	7991	1722	-17.4%	
-16.7%	2953	23923	204.1	6400	98.5	45615	8263	16.4%	
-36.1%	634	12556	174.8	6450	116.4	16647	1890	20.5%	
-11.2%	6764	100548	149.9	6500	136.5	91655	11799	108.8%	
11.4%	2065	20104	126.6	6550	157.1	12225	1640	222.2%	
-8.6%	9145	50986	108.1	6600	184.2	31399	3057	121.5%	
23.1%	3509	12656	89	6650	210.5	1085	235	86.5%	
-14.5%	5284	25655	75.9	6700	243.3	4856	765	53.9%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-99.5%	5	3	40.45	195	3.1	2294	145	-95.9%	
-98.5%	7	280	31.75	205	4.85	6979	488	-85.6%	
-98.3%	70	1144	29.4	215	7.5	14116	454	-61.5%	
-87.3%	672	9150	23.5	220	9.15	29157	2819	-23.4%	
-95.7%	194	6134	20.65	225	255	10810	917	-66.6%	
-74.8%	1716	27613	17.85	230	13.5	25874	2302	-9.1%	
-90.6%	584	14310	15.55	235	16.15	6636	345	-86.9%	
-87.8%	552	7869	11.55	245	22.15	650	128	82.9%	
-94.8%	246	5381	8.5	255	30.2	6	88	193.3%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,685	5,652	5,669	5,684	5,701	5,716	Bearish	Moderate	5661 - 5693
Cocudakl	NCDEX	Jun	2,733	2,704	2,718	2,741	2,755	2,778	Bearish	Moderate	2711 - 2748
Cotton	NCDEX	July	57,700	57,247	57,473	57,727	57,953	58,207	Bearish	Moderate	57360 - 57840
Dhaniya	NCDEX	Jun	7,518	7,393	7,455	7,543	7,605	7,693	Bearish	Moderate	7424 - 7574
Jeera	NCDEX	Jun	28,590	27,843	28,217	28,728	29,102	29,613	Bearish	Moderate	28030 - 28915
Guar Seed	NCDEX	Jun	5,462	5,374	5,418	5,469	5,513	5,564	Bearish	Moderate	5444 - 5539
Guar Gum	NCDEX	Jun	10,678	10,525	10,602	10,726	10,803	10,927	Bearish	Moderate	10564 - 10765
Mentha Oil	MCX	Jun	930	915	923	932	940	949	Bearish	Moderate	919 - 936
Turmeric	NCDEX	Jun	19,838	19,270	19,554	19,992	20,276	20,714	Bullish	Moderate	19412 - 20134

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	72009	71194	71601	71864	72271	72534	Bearish	Moderate	71733 - 72403
Gold Comex	Comex	June	2335	2314	2324	2337	2347	2359	Bearish	Moderate	2330 - 2353
Silver	MCX	July	94608	90299	92454	93615	95770	96931	Bullish	Moderate	93035 - 96351
Silver Comex	Comex	June	30.35	29.80	30.07	30.37	30.65	30.95	Bearish	Moderate	30 - 31
Crude	MCX	June	6547	6431	6489	6527	6585	6623	Flat	Moderate	6508 - 6604
Crude Nymex	Nymex	July	77.23	75.04	76.14	76.84	77.94	78.64	Bearish	Moderate	76 - 78
Nat Gas	MCX	June	235	224	229	234	239	244	Bearish	Moderate	226 - 236
BullDex	MCX	May	18713	18608	18660	18692	18744	18776	Bearish	High	18676 - 18760
Copper	MCX	May	889.25	880	885	888	893	897	Bearish	Moderate	886 - 895
Zinc	MCX	May	272.85	270	271	274	275	278	Bearish	Moderate	270 - 275
Lead	MCX	May	188	184	186	188	191	193	Bearish	Moderate	185 - 190
Aluminum	MCX	May	239.55	236	238	241	243	246	Bearish	Moderate	237 - 242

Navneet Damani

Head Research- Currencies and Commodities

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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