



Wednesday, May 29, 2024

## Overview

- Gold prices slightly rose ahead of key inflation reading this week
- Oil prices rise on expectations of extended supply cuts by OPEC+
- This week, US GDP and PCE Inflation will be important.

## Precious Metals

Gold prices steadied in Asian trade seeing some relief from a mildly weaker dollar as traders braced for comments from Fed officials and important economic data releases this week. Silver for second straight day witnessed a sharply rally, marking an all-time high on domestic front. US and UK markets resumed after public holiday at start this week, increasing the volatility in market. Geo-political tensions continue to trigger safe haven buying as attack on Rafah by Israel picked up pace. Updates regarding North Korea firing missile on Japan also increased the risk premium in the market. Fed officials have been actively sharing their views on monetary policy path ahead. Minneapolis Federal Reserve Bank President Neel Kashkari mentioned in his comments that the U.S. central bank should wait for significant progress on inflation before cutting interest rates. Continuous hawkish tone from most of the Fed officials is capping gains for bullions. On data front, US consumer confidence data was reported better than expectations, above the 100 mark weighing on precious metal pace. Focus this week is now on US GDP and inflation data. Gold on domestic front is expected to be in the range of ₹ 71,700 -72,600.

Precious metals	Close (\$)	%Chg.
Gold	2356.1	-0.2%
Silver	31.99	-0.4%
CFTC data	Speculative Longs	Change WoW
Gold	193972	21030
Silver	37703	-3918
ETF	Close	%Chg.
GOLD ETF	1550.1	-18.54
Silver ETF	11413	-20.69
Others	Close	%Chg.
DXY	104.61	0.1%
US 10Y Yields	4.56	1.5%

## Base Metals

Base metal prices inched higher on expectations of better demand from top consumer China, while a steady dollar and rising inventories limited gains. The latest Chinese measures to support its property sector boosted copper demand prospects. Some of the megacities, including Shanghai, have lowered the minimum down-payment ratios for home buyers and relaxed some restrictions. The IMF upgraded its forecast of China's economic growth to 5% this year after a "strong" first quarter, from an earlier forecast of 4.6%. The dollar inched higher on expectations that the U.S. Federal Reserve is unlikely to cut rates until later this year ahead of crucial inflation readings this week. Higher inventories in China amid strong output and soft physical demand were also weighing on the market, 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.

## Energy

Oil prices rose on expectations that major producers will maintain production cuts at the online OPEC+ meeting this weekend, at the same time fuel consumption should begin rising with the beginning of the peak summer demand season. The Memorial Day holiday in the beginning of this week marked the beginning of summer driving and vacation season. Extended production cuts are expected to keep prices supported as well as consumption will rise. A widening conflict in the Middle East also rose concerns as Israeli tanks advanced to Rafah. Flight analytics company, OAG also showed air travel was picking up with US domestic flight bookings rising by 5% in May. A number of important data points from the US will be important to watch out for like the US GDP and core PCE. A softer than expected reading on the inflation could bring rise to rate cut expectations, supporting outlook for economic growth and energy demand.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	901	0.7%
Aluminium	2460	-0.5%
Nickel	1703	-0.4%
Lead	192	2.0%
Zinc	274	-0.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	114750	2075	MT
	Shanghai	290376	2878	MT
Aluminium	LME	1121500	-3200	MT
	Shanghai	211698	-12161	MT
Nickel	LME	83730	-258	MT
	Shanghai	19825	-17	MT
Lead	LME	195225	-3525	MT
	Shanghai	62211	13890	MT
Zinc	LME	257200	-25	MT
	Shanghai	131178	3386	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	80.08	-0.2%
Natural gas	2.67	2.7%

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		
580.0%	102	54	2389.5	70000	188	1966	615	-46.8%	
-100.0%	0	0	2185	70500	399	0	0	-100.0%	
-66.6%	124	241	1670.5	71000	406.5	2033	495	-52.4%	
-100.0%	0	0	1532.5	71500	715	0	0	-100.0%	
323.7%	877	5190	1067	<b>72000</b>	768	3803	801	493.3%	
-71.9%	83	548	859.5	72500	1100	7	0	-100.0%	
-25.8%	934	4127	664.5	73000	1320.5	220	223	82.8%	
-100.0%	0	0	629	73500	1765	0	0	-100.0%	
-52.6%	654	1834	413	74000	2191.5	15	30	-37.5%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-17.6%	2434	15865	241.8	6400	70.4	48519	8802	6.5%	
1.9%	646	6747	208.6	6450	83.3	20982	2369	25.3%	
-26.2%	4993	88287	180	6500	98.6	115688	14329	21.4%	
-32.8%	1388	29757	152.9	6550	115.3	28346	1986	21.1%	
-9.2%	8300	125260	129.6	<b>6600</b>	136.4	119292	7508	145.6%	
-100.0%	0	0	111.7	6650	159.2	10733	859	265.5%	
-10.3%	4740	63163	89.7	6700	185	27753	1671	118.4%	
-2.5%	656	11477	73	6750	213.5	512	71	914.3%	
-25.6%	2632	41285	60	6800	245.2	5108	836	44.4%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	0	0	49.65	185	1.3	15	5	0.0%	
0.0%	5	1	41.15	195	2.05	1336	162	11.7%	
0.0%	7	12	34.2	205	3.85	6652	569	16.6%	
32.0%	239	4886	30.55	210	4.9	35230	4053	22.6%	
4.3%	73	974	27	<b>215</b>	255	10754	946	108.4%	
25.1%	841	11053	23.7	220	7.95	24397	3998	41.8%	
34.5%	261	6722	20.85	225	9.9	11644	925	0.9%	
38.7%	810	19123	15.85	235	14.85	10053	550	59.4%	
90.9%	1054	9912	12	245	20.6	748	132	3.1%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,700	5,658	5,679	5,696	5,717	5,734	Bearish	Moderate	5688 - 5726
Cocudakl	NCDEX	Jun	2,731	2,705	2,718	2,734	2,747	2,763	Bearish	Moderate	2712 - 2741
Cotton	NCDEX	July	58,680	57,160	57,920	58,360	59,120	59,560	Bearish	Moderate	58140 - 59340
Dhaniya	NCDEX	Jun	7,496	7,383	7,439	7,509	7,565	7,635	Bearish	Moderate	7411 - 7537
Jeera	NCDEX	Jun	28,365	27,415	27,890	28,275	28,750	29,135	Bearish	Moderate	27653 - 28513
Guar Seed	NCDEX	Jun	5,476	5,417	5,446	5,478	5,507	5,539	Bearish	Moderate	5462 - 5523
Guar Gum	NCDEX	Jun	10,703	10,548	10,625	10,695	10,772	10,842	Bearish	Moderate	10660 - 10807
Mentha Oil	MCX	Jun	914	900	907	919	925	937	Bearish	Moderate	904 - 922
Turmeric	NCDEX	Jun	18,648	17,821	18,235	19,061	19,475	20,301	Bearish	Moderate	18028 - 19268

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	June	72180	71493	71836	72106	72449	72719	Flat	Moderate	71971 - 72584
Gold Comex	Comex	June	2357	2320	2338	2352	2370	2384	Flat	Moderate	2345 - 2377
Silver	MCX	July	95448	92103	93775	94998	96670	97893	Bullish	Moderate	94387 - 97282
Silver Comex	Comex	June	31.99	29.69	30.84	31.56	32.70	33.42	Bullish	Moderate	31 - 33
Crude	MCX	June	6637	6507	6572	6611	6676	6715	Strong	Moderate	6592 - 6696
Crude Nymex	Nymex	July	79.35	76.24	77.80	78.79	80.35	81.34	Strong	Moderate	78 - 81
Nat Gas	MCX	June	215	204	209	213	218	222	Bearish	Moderate	211 - 220
BullDex	MCX	May	18971	18697	18834	18943	19080	19189	Bullish	Moderate	18889 - 19135
Copper	MCX	May	901.40	888	895	899	906	910	Bullish	High	897 - 908
Zinc	MCX	May	274.35	272	273	274	276	277	Bullish	High	272 - 275
Lead	MCX	May	192	192	192	192	192	192	Flat	Moderate	192 - 192
Aluminum	MCX	May	245.65	241	243	245	248	249	Bullish	High	244 - 249

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