



Monday, June 10, 2024

Overview

- US economy added 272K jobs in May'24, above expectations
- Gold prices tumbled amidst renewed strength in dollar
- Oil held gains ahead of data heavy week.

Precious Metals

Gold and silver prices languished, falling by @~3% and ~5% respectively amidst dollar index and US 10Y Yields inched higher, weak jobs data, updates regarding China putting a stop to their Gold buying spree and ambiguity regarding interest rates cuts by Fed. On data front, US Jolts, jobless claims and ADP employment change data was reported lower than expectations building expectations that the US labour market is easing however, US non-farm payroll data was reported better than expectations weighing on bullions. The Labor Department's report showed Nonfarm Payrolls (NFP) rose by 272,000 jobs in May, against expectations of an increase of 185,000, while unemployment rate rose by just 0.1% at 4%. Bets for rate cut fell significantly from 55% in the month of September to 43%. Expectation for rate cut is slowly shifting to the month November from September. The move in previous week was also on the back speculative liquidation. This week is important as Fed policy meeting and US CPI data is scheduled on the same day which could increase volatility in the market. Gold on domestic front is expected to be between the range of ₹70,700 -71,700.

Precious metals	Close (\$)	%Chg.
Gold	2295.9	0.1%
Silver	29.53	1.2%
CFTC data	Speculative Longs	Change WoW
Gold	180761	1540
Silver	35801	-3728
ETF	Close	%Chg.
GOLD ETF	1569.6	0.00
Silver ETF	11419	0.00
Others	Close	%Chg.
DXY	104.89	0.3%
US 10Y Yields	4.45	3.3%

Base Metals

Copper prices hit the lowest in five weeks in previous week, under pressure from a stronger dollar, stronger-than-expected U.S. employment data and mixed trade numbers from top metals consumer China. The dollar surged after data showed the U.S. economy created a lot more jobs than expected last month, suggesting that the Federal Reserve could take time in starting its easing cycle this year. In China, indicators remained mixed. May trade data showed better-than-expected exports, suggesting factory owners were managing to find buyers overseas. However, imports increased at a slower pace, highlighting the fragility of domestic consumption. Copper inventories in warehouses monitored by SHFE are at more than four-year highs after surging since the start of 2024. Copper production from Chile's state run miner Codelco, dropped 6.1% in April compared to same month last year to total 95100mt, increasing supply tightness concerns further in the market. After better than expected US labour market data, focus now shifts Fed policy meeting and US inflation data scheduled later this week.

Energy

Oil prices steadied as caution dominated sentiment ahead of Federal Reserve interest rate decision and key US inflation readings along with OPEC+ monthly report this week. Dollar firmed on better than expected nonfarm payrolls which indicated strong labor markets- which lowered rate cut expectations. Oil prices were under some pressure on Friday, as strong US jobs data prompted traders to trim expectations for US rate cuts, denting the outlook for economic growth and energy demand. The gradual phasing out of voluntary output cuts from eight OPEC+ members also stoked some worries. OPEC is expected to present its monthly report, and the cartel's forecast for annual oil consumption will be eagerly followed. The estimate for rising production, along with continuing concerns about decreasing demand, caused oil prices to plunge to four-month lows. Natural gas prices rose on decreased output and forecasts for warmer than normal weather through June 21. This week, OPEC monthly report and Fed interest rate decision will be important to watch for.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	854	1.4%
Aluminium	236 ^P	1.1%
Nickel	1592	-1.0%
Lead	188	-1.0%
Zinc	251	1.3%

Inventory		Current	W/W Chg.	Units
Copper	LME	123800	1600	MT
	Shanghai	336964	15269	MT
Aluminum	LME	1103500	-4000	MT
	Shanghai	226582	8797	MT
Nickel	LME	85602	846	MT
	Shanghai	22131	2306	MT
Lead	LME	185325	2775	MT
	Shanghai	63959	4157	MT
Zinc	LME	260825	50	MT
	Shanghai	127153	-1988	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	75.80	0.6%
Natural gas	3.00	3.3%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	455.92	1.23	Mnbl
Gasoline	230.95	2.10	Mnbl
Distillate	122.49	3.20	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	152342	-49087
Natural Gas	16847	-26017

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		
0.0%	0	0	3481	69500	294.5	0	0	0.0%	
6.1%	122	81	2887.5	70000	308.5	4699	1214	12.2%	
0.0%	0	0	2555.5	70500	589.5	0	0	0.0%	
127.2%	418	1214	2089.5	71000	670	6996	1191	34.4%	
309.5%	172	481	1494	71500	927	1070	102	41.7%	
127.1%	1908	9320	1324	72000	1237	7928	1060	3.9%	
67.4%	226	804	1038	72500	1641.5	273	96	-14.3%	
74.5%	2068	9465	770.5	73000	1991	2506	421	1.2%	
0.0%	1	0	566.5	73500	1667	7	6	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-6.9%	2037	17871	254	6100	22.4	59868	5690	-11.8%	
-2.5%	620	6140	213.6	6150	30.3	33554	1769	-32.7%	
-8.5%	4572	90082	175.7	6200	43.9	158634	8268	-20.2%	
46.5%	1609	38546	142.2	6250	59.5	62761	1629	-29.0%	
19.0%	9054	291791	112.7	6300	78.3	284973	6974	1.9%	
44.9%	3517	110563	86.6	6350	102.9	80486	1242	30.6%	
10.5%	14012	188808	66.3	6400	129.9	134946	5423	1.3%	
1.8%	4891	55624	47.7	6450	161.3	11727	1421	-0.6%	
12.0%	18536	102803	36.1	6500	202.8	36995	3427	13.9%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-0.8%	386	104	35.9	200	1.3	16162	7944	32.4%	
-2.0%	1022	1015	28.1	210	2.45	18950	4137	7.1%	
-1.0%	4147	9905	20.95	220	4.25	41491	8513	21.1%	
-3.1%	994	5654	18	225	5.55	19899	1980	7.1%	
-25.6%	2919	32738	15.4	230	255	55338	5042	35.8%	
1.7%	1380	34126	13.25	235	8.9	36001	2182	118.2%	
-27.2%	3926	94263	11.2	240	11.1	55655	2910	97.4%	
-19.6%	3477	62929	8.15	250	16.4	13583	956	46.0%	
-7.4%	3158	42678	5.8	260	22.7	1611	219	85.6%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,787	5,745	5,766	5,792	5,813	5,839	Bearish	Moderate	5756 - 5803
Cocudakl	NCDEX	Jun	2,716	2,675	2,696	2,730	2,751	2,785	Bearish	Moderate	2686 - 2741
Cotton	NCDEX	July	56,840	56,467	56,653	56,927	57,113	57,387	Bearish	Moderate	56560 - 57020
Dhaniya	NCDEX	Jun	7,480	7,381	7,431	7,511	7,561	7,641	Bearish	Moderate	7406 - 7536
Jeera	NCDEX	Jun	29,370	29,103	29,237	29,393	29,527	29,683	Bearish	Moderate	29170 - 29460
Guar Seed	NCDEX	Jun	5,402	5,357	5,379	5,415	5,437	5,473	Bearish	Moderate	5368 - 5426
Guar Gum	NCDEX	Jun	10,568	10,457	10,512	10,599	10,654	10,741	Bearish	Moderate	10485 - 10627
Mentha Oil	MCX	Jun	928	914	921.00	926	933	938	Bullish	High	924 - 936
Turmeric	NCDEX	Jun	17,914	17,338	17,626	17,888	18,176	18,438	Flat	Moderate	17757 - 18307

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	71353	69670	70511	72014	72855	74358	Bearish	Moderate	70091 - 72435
Gold Comex	Comex	June	2305	2226	2265	2325	2365	2425	Bearish	Moderate	2245 - 2345
Silver	MCX	July	89089	84926	87007	90809	92890	96692	Bearish	Moderate	85967 - 91850
Silver Comex	Comex	July	29.44	27.66	28.55	30.11	31.00	32.56	Bearish	Moderate	28 - 31
Crude	MCX	June	6323	6240	6281	6326	6367	6412	Flat	Moderate	6304 - 6390
Crude Nymex	Nymex	July	75.22	74.38	74.80	75.35	75.77	76.32	Flat	Moderate	75 - 76
Nat Gas	MCX	June	247	228	237	243	252	257	Bullish	Moderate	240 - 254
BullDex	MCX	June	18481	17988	18235	18688	18935	19388	Bearish	Moderate	18112 - 18812
Copper	MCX	June	853.65	835	844	863	872	890	Bearish	Moderate	839 - 867
Zinc	MCX	June	250.50	240	245	254	259	268	Bearish	Moderate	243 - 257
Lead	MCX	June	188	186	187	189	190	191	Bearish	Moderate	186 - 189
Aluminum	MCX	June	235.60	230	233	237	240	245	Bearish	Moderate	231 - 239

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