



Wednesday, June 19, 2024

## Overview

- US retail sales came in lower than expected
- Oil prices gain on war jitters
- Copper prices pressured by weaker demand scenario
- Volatility may remain low as US markets are shut today.

## Precious Metals

Gold prices continue to trade in a range trying to find direction amidst mixed US economic data, geo-political tensions and hawkish comments from Fed officials. US Retail sales in the yesterday's session, rose 0.1% last month after a downwardly revised 0.2% drop in April. The result was below expectations of 0.3%, and indicated economic activity was slowing as higher interest rates affect consumer spending patterns. On other hand, US industrial production was reported better than expectations at 0.9% v/s 0.3%. New York Federal Reserve Bank President John Williams said interest rates will come down gradually over time, but declined to comment on the pace of same. Other Fed officials also struck a note of caution, mentioning that the central bank can't risk the progress made so far by cutting rates too soon and will be data dependent. However, bets for rate cut still continue to rise post the retail sales data, pricing in 65% chance of a rate cut in September meeting. Volatility could be a bit lower as US markets remain shut.

Precious metals	Close (\$)	%Chg.
Gold	2329.4	0.0%
Silver	29.43	-0.3%
CFTC data	Speculative Longs	Change WoW
Gold	177549	-3212
Silver	29600	-6201
ETF	Close	%Chg.
GOLD ETF	1913.6	-17.71
Silver ETF	24943	151.01
Others	Close	%Chg.
DXY	105.26	0.0%
US 10Y Yields	4.22	1.5%

## Base Metals

Copper prices marginally rose in yesterday's session, supported by supply worries and slightly softer dollar although further gains were capped by persistent concerns about demand in China. The dollar softened after data showed retail sales in the US edged up a 0.1% month-over-month in May 2024, following a downwardly revised 0.2% fall in April and below forecasts of a 0.3%, in another sign consumer sentiment is cooling. Data from China this week showed weaker support to prices as Industrial output in China slowed more than expected in May, while a faster decline in housing prices, moderating fixed-asset investing, and a contractionary manufacturing PMI in the world's top consumer heightened concerns that demand will not recover. This week, the PBoC is set to meet to discuss rates and China is expected stick to a supportive monetary policy stance, US markets are shut today on the account of Juneteenth holiday, so volatility may remain low.

## Energy

Oil prices gained almost 2% in yesterday's session, marking a third consecutive daily rise in prices as geopolitical concerns increased over escalating conflict in Europe and the Middle East offset demand worries following an unexpected build in U.S. crude inventories reported by the API. Israeli Foreign Minister Israel Katz warned of an approaching "all-out war" with Lebanon's Hezbollah, as the US sought to avoid a larger battle between Israel and Iran-backed Hezbollah. Any escalation in war raises the prospect of disruptions to oil supply from key producers. However, further gains were limited as stocks rose by 2.264 mb in the week ended June 14, compared with an expected draw of 2.2mb according to API. Any further developments in the region will be important to watch for. Retail sales in the US edged up a 0.1% month-over-month in May 2024, following a downwardly revised 0.2% fall in April and below forecasts of a 0.2%, in another sign consumer sentiment is cooling. Natural gas prices climbed, snapping a four-day losing trend, caused by extreme heat conditions in the US. The anticipated record early summer heat in the Northeast, along with growing demand from the electricity industry, which already accounts for more than 40% of baseload capacity, point to a potential demand spike. Weather models forecast an exceptionally hot period from June 19 to July 2.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	852	0.2%
Aluminium	2300	-0.4%
Nickel	1476	0.0%
Lead	188	0.2%
Zinc	259	0.9%

Inventory		Current	W/W Chg.	Units
Copper	LME	155850	19175	MT
	Shanghai	330753	-6211	MT
Aluminum	LME	1068675	-5275	MT
	Shanghai	224303	-2279	MT
Nickel	LME	89442	1698	MT
	Shanghai	21060	-191	MT
Lead	LME	216150	9850	MT
	Shanghai	65584	1625	MT
Zinc	LME	249450	-1500	MT
	Shanghai	125408	-1745	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	80.74	-1.0%
Natural gas	2.93	4.2%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	459.65	3.73	Mnbl
Gasoline	233.51	2.57	Mnbl
Distillate	123.37	0.88	Mnbl
Natural Gas	3.13	-0.21	bcf

CFTC data	Speculative Longs	Change WoW
Crude oil	192735	40393
Natural Gas	40984	24137

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	1876.5	69500	50.5	0	0	0.0%	
5.9%	303	551	1366.5	70000	50.5	6618	2856	21.6%	
0.0%	1	0	1088	70500	200.5	15	4	300.0%	
13.9%	1105	9244	659.5	71000	227	12965	3335	130.0%	
45.7%	679	5575	427	<b>71500</b>	442	1680	463	49.4%	
-21.2%	3050	14284	236	72000	745.5	2007	1100	15.8%	
2.5%	367	712	145	72500	1140	117	90	-1.1%	
-8.9%	2443	4480	92.5	73000	1585.5	96	364	-2.7%	
100.0%	4	3	58.5	73500	2051	0	6	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-35.5%	1531	16841	251.4	6500	130.1	0	0	-100.0%	
0.2%	524	2221	221.8	6550	113	9432	1249	41.3%	
-40.0%	2447	66321	195.4	6600	133.1	79383	8861	53.4%	
2.3%	306	17390	169.9	6650	154.5	13623	729	126.4%	
86.6%	3681	121446	146.1	<b>6700</b>	176.9	92595	5490	326.2%	
219.5%	754	25076	126.6	6750	203.2	3607	170	1207.7%	
102.8%	4361	74729	107.3	6800	230.5	20343	1575	109.4%	
2324.1%	703	6828	91.5	6850	261.1	4	0	0.0%	
34.5%	1674	32008	78	6900	291.8	1942	294	108.5%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-1.6%	900	180	24.55	210	0.2	9765	5155	4.3%	
-2.9%	3721	16558	15.15	220	0.5	33389	7210	-0.8%	
-30.1%	2453	92703	8.3	230	1.5	119633	8243	8.9%	
-51.1%	1718	118803	5.85	235	2.7	115814	6021	32.1%	
-23.9%	7017	166699	4	<b>240</b>	255	124609	7062	55.8%	
-16.0%	4054	66218	2.7	245	7.1	40163	2836	1.7%	
-21.3%	9941	75100	1.9	250	10.7	30399	2971	-17.0%	
-5.1%	8656	26885	0.95	260	18.85	3720	2059	-11.9%	
-10.1%	4198	8550	0.55	270	28.15	120	249	-3.9%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,765	5,630	5,697	5,753	5,820	5,876	Bearish	Moderate	5664 - 5787
Cocudakl	NCDEX	Jun	2,738	2,721	2,729	2,743	2,751	2,765	Bearish	Moderate	2736 - 2758
Cotton	NCDEX	July	56,370	55,717	56,043	56,247	56,573	56,777	Bearish	Moderate	56145 - 56675
Dhaniya	NCDEX	Jun	7,536	7,457	7,497	7,541	7,581	7,625	Bearish	Moderate	7477 - 7561
Jeera	NCDEX	Jun	28,980	28,460	28,720	29,110	29,370	29,760	Bearish	Moderate	28915 - 29565
Guar Seed	NCDEX	Jun	5,476	5,426	5,451	5,495	5,520	5,564	Bearish	Moderate	5439 - 5508
Guar Gum	NCDEX	Jun	10,816	10,698	10,757	10,861	10,920	11,024	Bearish	Moderate	10728 - 10891
Mentha Oil	MCX	Jun	922	908	914.90	920	927	932	Bearish	Moderate	917 - 929
Turmeric	NCDEX	Jun	18,354	17,971	18,163	18,421	18,613	18,871	Flat	Moderate	18292 - 18742

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	71739	70964	71352	71562	71950	72160	Flat	Moderate	71457 - 72055
Gold Comex	Comex	June	2330	2307	2319	2323	2335	2339	Flat	Moderate	2321 - 2337
Silver	MCX	July	89080	87210	88145	88786	89721	90362	Bearish	Moderate	87678 - 89254
Silver Comex	Comex	July	29.56	28.66	29.11	29.44	29.89	30.21	Flat	Moderate	29 - 30
Crude	MCX	June	6786	6595	6690	6752	6847	6909	Bullish	High	6721 - 6878
Crude Nymex	Nymex	July	80.71	78.56	79.64	80.24	81.32	81.92	Bullish	High	80 - 82
Nat Gas	MCX	June	242	229	236	239	246	249	Bearish	Moderate	237 - 247
BullDex	MCX	June	18482	18319	18401	18450	18532	18581	Bearish	Moderate	18426 - 18557
Copper	MCX	June	851.55	835	843	848	856	861	Bearish	Moderate	846 - 859
Zinc	MCX	June	259.20	254	256	258	261	262	Flat	Moderate	257 - 262
Lead	MCX	June	188	187	188	188	189	189	Flat	Moderate	188 - 189
Aluminum	MCX	June	230.10	227	228	230	232	234	Bearish	Moderate	228 - 231

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