



Thursday, June 20, 2024

Overview

- Gold prices gain on rising geopolitical tensions
- PBoC kept interest rates unchanged
- Oil prices steadied ahead of inventory report today
- Today, BoE policy decision and US housing numbers will be important to watch for.

Precious Metals

Gold and Silver prices gained some ground in the yesterday's session on the back of mixed economic data, change in interest rate cut expectations and Geo-political tensions. There were no major data points scheduled in the yesterday's session as US markets were shut on the back of public holiday, however fed officials comments and economic numbers reported since the start of this week gave a jerk to prices. U.S. retail sales barely rose in May and figures for the prior month were revised considerably lower, suggesting economic activity remained lacklustre in Q2'24. Richmond Fed President Thomas Barkin said he needs to parse several more months of data before he can consider supporting a rate cut. However, after the US retail sales and inflation data market participant's expectations does not match with fed officials wait and watch approach. Market expectations that the Federal Reserve could cut rates at its September meeting crept higher, pricing in ~60% chance. Focus today will be on BOE policy decision and few housing numbers from US.

Precious metals	Close (\$)	%Chg.
Gold	2334.0	0.3%
Silver	30.14	1.3%
CFTC data	Speculative Longs	Change WoW
Gold	177549	-3212
Silver	29600	-6201
ETF	Close	%Chg.
GOLD ETF	1914.5	0.94
Silver ETF	24943	0.00
Others	Close	%Chg.
DXY	105.25	0.0%
US 10Y Yields	4.25	-1.5%

Base Metals

Amongst the base metals pack, copper prices were able to rise slightly despite jump in inventories, on the back of rising prospects of shortages and fund buying adding to momentum. Although, base metal prices remain pressured 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 official manufacturing PMI in the world's top consumer heightened concerns that demand will not recover. Copper's price had reached a record high in May, but has rapidly cooled due to worries about rising global inventory levels which rose to their highest levels since 2020 and weakness in China's economy. PBoC left benchmark lending rates unchanged, in line with market expectations and continue accommodative stance in an effort to boost China's economy.

Energy

Oil prices steadied after hitting seven-week high boosted by summer demand optimism and concerns over escalating conflicts. Israeli tanks advanced deeper into the Gaza Strip city of Rafah, while a top Israeli official recently warned of an impending "all-out war" with Lebanon's Hezbollah. Trading volumes remained low as US markets were shut on the occasion of Juneteenth holiday. PBoC left benchmark lending rates unchanged, in line with market expectations and continue accommodative stance in an effort to boost China's economy. Investors cautiously await US crude inventories report from the EIA, which was delayed by one day due to the holiday where polls suggest for a -2.8 million barrel drawdown for the week ended June 14 after the previous week's 3.73 million barrel buildup. Natural gas prices continued its upward trajectory, caused by extreme heat conditions in the US pumping natural gas consumption expectations. Weather models forecast extremely hot periods until end of June.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	855	0.2%
Aluminium	2310	-0.6%
Nickel	1466	-0.7%
Lead	189	0.1%
Zinc	261	0.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	158700	2850	MT
	Shanghai	330753	-6211	MT
Aluminum	LME	1066575	-2100	MT
	Shanghai	224303	-2279	MT
Nickel	LME	89562	120	MT
	Shanghai	20543	-517	MT
Lead	LME	226950	10800	MT
	Shanghai	65584	1625	MT
Zinc	LME	247100	-2350	MT
	Shanghai	125408	-1745	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	80.52	-0.2%
Natural gas	2.95	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	2050.5	69500	32.5	0	0	0.0%
-2.6%	295	104	1523	70000	38	2587	2821	-1.2%
0.0%	1	0	1205	70500	64.5	92	34	750.0%
20.6%	1333	3723	741.5	71000	173	7773	3804	14.1%
-9.4%	615	5437	461	71500	379	3535	592	27.9%
29.5%	3949	12649	287.5	72000	680.5	1998	1017	-7.5%
-9.5%	332	710	174.5	72500	1135	9	85	-5.6%
6.1%	2592	2945	97	73000	1530.5	29	361	-0.8%
0.0%	4	0	85	73500	2018	0	6	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-2.5%	1493	4507	296.3	6500	86.2	35445	11518	0.0%
-0.6%	521	571	262.1	6550	101.4	6842	1148	-8.1%
-13.2%	2124	18745	233.6	6600	120.2	46144	8404	-5.2%
27.8%	391	4558	204.8	6650	139.2	8604	869	19.2%
10.3%	4060	92351	178.8	6700	160.7	85934	6214	13.2%
86.6%	1407	29236	154.4	6750	183.8	12042	687	304.1%
31.3%	5726	80784	131.2	6800	210.8	50515	2620	66.3%
20.1%	844	12624	111.5	6850	238.5	243	128	0.0%
72.6%	2890	42600	94.8	6900	270.8	5352	423	43.9%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-0.6%	895	36	32.05	210	0.1	3637	4689	-9.0%
-1.8%	3653	3458	22.3	220	0.15	16864	6889	-4.5%
-11.3%	2175	26468	13.25	230	0.8	49651	8338	1.2%
-21.4%	1351	38223	9.5	235	1.7	62363	6535	8.5%
-0.7%	6965	130972	6.4	240	255	132455	7039	-0.3%
31.2%	5318	89679	4.1	245	6.35	60520	2975	4.9%
8.8%	10819	69162	2.6	250	9.95	39300	2595	-12.7%
6.2%	9191	31733	1	260	18.7	8496	1253	-39.1%
-18.1%	3439	7595	0.4	270	29.25	81	212	-14.9%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,763	5,696	5,729	5,750	5,783	5,804	Bearish	Moderate	5740 - 5794
Cocudakl	NCDEX	Jun	2,743	2,720	2,731	2,740	2,751	2,760	Bearish	Moderate	2736 - 2756
Cotton	NCDEX	July	56,960	56,067	56,513	56,757	57,203	57,447	Bearish	Moderate	56635 - 57325
Dhaniya	NCDEX	Jun	7,568	7,480	7,524	7,568	7,612	7,656	Bearish	Moderate	7546 - 7634
Jeera	NCDEX	Jun	28,735	28,145	28,440	28,845	29,140	29,545	Bearish	Moderate	28643 - 29343
Guar Seed	NCDEX	Jun	5,425	5,368	5,397	5,440	5,469	5,512	Bearish	Moderate	5383 - 5455
Guar Gum	NCDEX	Jun	10,716	10,599	10,657	10,759	10,817	10,919	Bearish	Moderate	10628 - 10788
Mentha Oil	MCX	Jun	921	914	917.27	922	925	930	Bearish	Moderate	916 - 924
Turmeric	NCDEX	Jun	18,300	17,903	18,101	18,251	18,449	18,599	Flat	Moderate	18126 - 18474

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	71732	71467	71599	71743	71875	72019	Flat	Moderate	71533 - 71809
Gold Comex	Comex	June	2330	2307	2319	2323	2335	2339	Flat	Moderate	2321 - 2337
Silver	MCX	July	89475	88426	88950	89235	89759	90044	Flat	Moderate	89093 - 89902
Silver Comex	Comex	July	29.56	28.66	29.11	29.44	29.89	30.21	Flat	Moderate	29 - 30
Crude	MCX	June	6733	6669	6701	6737	6769	6805	Bullish	Moderate	6719 - 6787
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	235	239	242	245	249	Bullish	Moderate	237 - 244
BullDex	MCX	June	18516	18427	18471	18503	18547	18579	Flat	Moderate	18487 - 18563
Copper	MCX	June	854.55	847	851	854	858	862	Flat	Moderate	853 - 860
Zinc	MCX	June	260.85	258	260	261	262	263	Flat	Moderate	260 - 263
Lead	MCX	June	189	186	187	189	190	192	Flat	Moderate	187 - 190
Aluminum	MCX	June	230.95	227	229	231	233	235	Bearish	Moderate	230 - 234

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