



Friday, June 21, 2024

Overview

- Gold prices gained as rate cut expectations from Fed grew
- US gasoline and distillate stocks show surprise drawdowns
- Today, manufacturing and services PMI from major economies and natural gas inventory will be important.

Precious Metals

Gold prices rose more than 1% to their highest level in two weeks, as recent U.S. economic data showing signs of a slowdown in the world's largest economy boosted bets for interest rate cuts from the Federal Reserve this year. U.S. jobless claims fell in the latest week, suggesting a generally stable labor market. U.S. single-family homebuilding in May fell 5.2% to a seasonally adjusted annual rate of 982,000 units. Last week's data showed a moderation in the labour market and price pressures, followed up with soft retail sales data suggesting that economic activity remained lacklustre in the second quarter. On other hand, hawkish comments from Fed officials is increasing the ambiguity in the market. Fed policymakers since last week have struck a note of caution, mentioning that central bank cant risk the progress made so far by cutting rates too soon and will be data dependent. BOE in their policy decision yesterday kept interest unchanged but increased expectations for a cut in their August meeting. Focus today will be on preliminary manufacturing and services PMI from major economies.

Precious metals	Close (\$)	%Chg.
Gold	2359.6	0.0%
Silver	30.52	-0.6%
CFTC data	Speculative Longs	Change WoW
Gold	177549	-3212
Silver	29600	-6201
ETF	Close	%Chg.
GOLD ETF	1925.2	10.72
Silver ETF	24943	0.00
Others	Close	%Chg.
DXY	105.59	0.0%
US 10Y Yields	4.26	0.9%

Base Metals

Base metals gained after PBoC left benchmark lending rates unchanged, in line with market expectations and continue accommodative stance in an effort to boost China's economy. The one year loan prime rate was unchanged for the 10th consecutive time at 3.45% whereas the 5- year loan prime rate was kept unchanged at 3.95% which was lowered in February by 25bps in an attempt to support weak housing market. Anglo American's copper output at its Los Bronces mine in Chile is expected to fall nearly a third from average historical levels next year, highlighting the tightness in raw material supply. Still, sluggish demand limited the rebound. Although, copper stockpiles continued to rise in LME warehouse reaching 161925 tons, their highest since January, with copper also entering a traditionally slow-demand season.

Energy

Oil prices rose after inventories report showed a draw on inventories and data from the US showed a slowdown in labour market that reignited hopes for a rate cut this year by the Fed. Reduced interest rates may help oil prices, which have been struggling with weak demand cues. U.S. oil stocks fell by 2.5 million barrels last week barrels in the week to Jun. 14. An unexpected drop in weekly gasoline supplies of 2.3 mb, contrary to predictions of 1.5 mb, and a 1.7mb decline in distillate inventories contributed to bets that the annual spike in energy demand over the summer months has begun after a slow start. Oil prices have also gained support from increasing middle east tensions. Israeli forces pounded areas in the central Gaza Strip, while tanks deepened their advance into Rafah in the south. Natural gas prices fell, as producers ramp up output to meet increased demand from power generators running air conditioners. While gas flows to major US LNG export terminals are increasing, they are still below capacity due to maintenance at Louisiana facilities like Cameron LNG, Cheniere Energy's Sabine Pass, and Venture Global's Calcasieu Pass. Today, focus will be on manufacturing and services figures from major economies and natural gas inventory.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	862	0.4%
Aluminium	2320	0.4%
Nickel	1474	0.5%
Lead	189	0.2%
Zinc	262	0.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	161925	3225	MT
	Shanghai	330753	-6211	MT
Aluminum	LME	1061000	-5575	MT
	Shanghai	224303	-2279	MT
Nickel	LME	90396	834	MT
	Shanghai	20051	-492	MT
Lead	LME	226575	-375	MT
	Shanghai	65584	1625	MT
Zinc	LME	244375	-2725	MT
	Shanghai	125408	-1745	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	81.15	-0.1%
Natural gas	2.74	-6.1%

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		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.0%	1	2	1178.5	70500	35.5	226	66	94.1%	
-65.0%	466	3427	714	71000	60	13477	3217	-15.4%	
-55.4%	274	3395	429.5	71500	146	6176	835	41.0%	
-57.8%	1668	26511	225.5	72000	303	12789	1387	36.4%	
74.1%	578	5863	115.5	72500	523	774	242	184.7%	
-9.6%	2344	12560	64.5	73000	874	1102	456	26.3%	
0.0%	4	0	39.5	73500	1346.5	0	6	0.0%	
7.0%	1487	6189	24.5	74000	2100.5	13	127	-7.3%	
0.0%	1	0	6	74500	2258.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
-33.3%	1416	16546	249.8	6600	97.8	47594	8763	4.3%	
-37.9%	243	3549	220.5	6650	111.5	12660	1724	98.4%	
-6.7%	3789	78008	191.4	6700	129.9	82605	9094	46.3%	
-46.2%	757	26831	165.6	6750	149.2	25177	1777	158.7%	
1.6%	5816	120444	141.7	6800	172.4	102685	5465	108.6%	
16.8%	986	24319	120	6850	197.2	2654	142	10.9%	
-13.7%	2495	51302	102	6900	224.3	12390	1036	144.9%	
-1.9%	519	8865	86	6950	242.9	7	5	150.0%	
-7.1%	3611	41390	73.5	7000	287.6	2645	236	140.8%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
-11.5%	184	69	41.05	200	0.05	1775	4501	-10.8%	
-4.0%	859	962	30.3	210	0.1	6682	4724	0.7%	
-0.8%	3625	8888	21.8	220	0.7	28727	6931	0.6%	
78.4%	1522	21370	17.1	225	1.75	46123	4735	32.8%	
140.4%	5229	87357	12.55	230	255	131900	7552	-9.4%	
504.0%	8160	131926	8.5	235	6.7	141898	5576	-14.7%	
85.2%	12897	178762	5.45	240	10.85	154347	4742	-32.6%	
1.1%	10939	72994	1.85	250	20.45	29688	1963	-24.4%	
10.9%	10193	26151	0.45	260	30.1	1657	955	-23.8%	

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	72586	71370	71978	72414	73022	73458	Bullish	High	72196 - 73240
Gold Comex	Comex	June	2354	2320	2337	2345	2362	2371	Bullish	High	2341 - 2367
Silver	MCX	July	91665	89307	90486	91168	92347	93029	Bullish	High	90827 - 92688
Silver Comex	Comex	July	30.82	28.92	29.87	30.36	31.31	31.79	Bullish	Moderate	30 - 32
Crude	MCX	June	6799	6680	6739	6779	6838	6878	Bullish	High	6759 - 6858
Crude Nymex	Nymex	July	82.17	80.62	81.40	81.90	82.68	83.18	Bullish	Moderate	82 - 83
Nat Gas	MCX	June	230	218	224	234	240	251	Bearish	Moderate	221 - 237
BullDex	MCX	June	18790	18444	18617	18733	18906	19022	Bullish	High	18675 - 18964
Copper	MCX	June	861.90	850	856	860	865	869	Flat	Moderate	858 - 867
Zinc	MCX	June	262.05	258	260	262	264	265	Flat	Moderate	261 - 264
Lead	MCX	June	189	187	188	189	190	190	Flat	Moderate	188 - 190
Aluminum	MCX	June	232.45	230	231	232	233	234	Flat	Moderate	232 - 234

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