



Monday, June 24, 2024

Overview

- Gold prices slide on stronger dollar and US yields
- Natural gas prices edge lower on increased output
- This week, Core PCE Index and few Fed officials' comments will be important.

Precious Metals

Gold prices dropped more than 1% weighed down by a stronger dollar and higher bond yields after better than expected US economic data. U.S. business activity crept up to a 26-month high in June amid a rebound in employment. Data showed first-time applications for U.S. unemployment benefits fell moderately last week. The dollar rose 0.2% to its highest level in more than seven weeks, while yield on 10-year U.S. Treasury notes edged higher after U.S. data. Market participants continue to price in a 60% chance of Fed rate cut in September, according to CME Fed-Watch Tool. Updates regarding geo-political tensions are also keeping market participants on the edge. On one end, Israel's attack on Rafah continues increasing distress in market while on other, US holding an informal talk with china and Russia is showing some signs of an ease off. Physical bullion demand in India, the world's second-largest gold consumer, slowed down last week as prices approached near record high levels, dampening retail purchases in the absence of festivals. No major data is scheduled on calendar today, however focus this week will be on US GDP, PCE price index, durables goods orders and comments from various fed officials. Gold on domestic front is expected to trade in a range of ₹71000-72000.

Precious metals	Close (\$)	%Chg.
Gold	2324.6	0.2%
Silver	29.52	0.0%
CFTC data	Speculative Longs	Change WoW
Gold	177549	-3212
Silver	29600	-6201
ETF	Close	%Chg.
GOLD ETF	1952.8	27.58
Silver ETF	24878	-65.34
Others	Close	%Chg.
DXY	105.80	0.0%
US 10Y Yields	4.25	0.1%

Base Metals

Copper prices slipped on concerns over surplus supplies and sluggish demand in leading metals consumer China, where the currency is also weakening. Metal used in power and construction has shed 13% since touching a record peak above \$11,000 last month. China's yuan dipped to a seven-month low against the dollar on Friday, hurt by portfolio outflows from mainland financial markets and speculation that the central bank is allowing the currency to weaken gradually. Dramatically lower processing and refining fees for H2 2024 are on the cards as Chinese smelters compete for increasingly scarce sources of ore. However, concerns that demand will still struggle to keep up weighed on sentiment. An overhang of metals has weighed on the copper market, with SHFE copper stocks up tenfold since the start of the year to 322,910 tons, reflecting the abundant supply in China. Data showed the global refined copper market had a surplus of 13,000 tons in April and excess supply of 299,000 tons in the first four months of the year.

Energy

Oil prices fell ~1% due to a stronger dollar, but they still gained for the second week in a row as demand in the US improved along with geopolitical risks adding support. The dollar rose after data showing that services and manufacturing activity surprised to the upside in June, easing predictions for sooner rather than later rate cuts. Mixed global economic news also supported the dollar on the upside. In China, the world's second biggest oil consumer, Beijing warned that escalating frictions with the European Union over electric vehicle imports could trigger further escalations in trade war. Adding to oil prices support, was Ukraine's military striking four oil refineries, radar stations and other military objects in Russia in the early hours of Friday. A face-off between Israel and Hezbollah raises the risk of a wider conflict in this important oil-rich region, potentially disrupting global supplies. Natural gas prices fell, as producers ramp up output to meet increased demand from power generators running air conditioners and a storm which dumped rain on Mexico and other parts of Texas cooled off hotter than expected weather conditions and brought about cooler temperatures. At the same time, meteorologists predict continued hot weather through at least July 5, driving up demand for gas from power plants.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	847	0.9%
Aluminium	233 ^P	0.6%
Nickel	1471	-0.2%
Lead	189	-0.2%
Zinc	263	0.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	165175	3250	MT
	Shanghai	322910	-7843	MT
Aluminum	LME	1055425	-5575	MT
	Shanghai	228739	4436	MT
Nickel	LME	90450	54	MT
	Shanghai	19696	-355	MT
Lead	LME	225275	-1300	MT
	Shanghai	54087	-11497	MT
Zinc	LME	242525	-1850	MT
	Shanghai	128107	2699	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	80.55	0.0%
Natural gas	2.69	-1.3%

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	2760	69500	21	0	0	0.0%	
81.8%	520	767	2257.5	70000	29	8340	2184	-13.8%	
0.0%	1	0	1955	70500	44.5	564	97	47.0%	
25.8%	586	1753	1299	71000	116	15184	3222	0.2%	
148.5%	681	3365	869.5	71500	331	11139	747	-10.5%	
96.8%	3282	23133	548	72000	692.5	19597	1278	-7.9%	
220.8%	1854	16575	301	72500	1139	3458	291	20.2%	
70.8%	4004	23779	154.5	73000	1604.5	2119	726	59.2%	
500.0%	24	120	106	73500	1843	7	0	-100.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-5.3%	1012	3682	367.8	6500	79.9	32689	9449	-13.5%	
-0.2%	521	398	330.1	6550	92.4	8482	1081	-11.8%	
-13.1%	1231	9981	292.9	6600	108.6	48749	7540	-14.0%	
-23.5%	186	2644	258.6	6650	126.2	14018	1264	-26.7%	
-14.4%	3244	59874	226.2	6700	147.4	88506	6131	-32.6%	
95.4%	1479	27074	196.2	6750	170	32843	1585	-10.8%	
37.1%	7972	156278	169.2	6800	197.6	128758	4562	-16.5%	
28.6%	1268	27246	144.5	6850	225.4	9562	138	-2.8%	
18.7%	2961	60195	122.8	6900	256	19989	961	-7.2%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-37.5%	115	200	29.9	200	0.05	375	4279	-4.9%	
-2.2%	840	2202	19.35	210	0.05	5534	4036	-14.6%	
-11.5%	3209	39178	10.35	220	0.05	62235	7087	2.3%	
-34.7%	994	117011	6.5	225	0.1	136227	3501	-26.1%	
50.0%	7844	161594	3.25	230	255	126207	3081	-59.2%	
1.7%	8296	67334	1.45	235	9.2	38810	3120	-44.0%	
-46.2%	6941	27472	0.65	240	14.3	13843	2407	-49.2%	
-19.3%	8826	8701	0.2	250	24.1	2317	1192	-39.3%	
-1.3%	10059	646	0.05	260	34.25	176	940	-1.6%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jun	5,770	5,731	5,751	5,779	5,799	5,827	Bearish	Moderate	5741 - 5789
Cocudakl	NCDEX	Jun	2,805	2,765	2,785	2,801	2,821	2,837	Bearish	Moderate	2793 - 2829
Cotton	NCDEX	July	57,780	57,333	57,557	57,723	57,947	58,113	Bearish	Moderate	57640 - 58030
Dhaniya	NCDEX	Jun	7,484	7,391	7,437	7,503	7,549	7,615	Bearish	Moderate	7414 - 7526
Jeera	NCDEX	Jun	28,810	28,197	28,503	28,727	29,033	29,257	Bearish	Moderate	28615 - 29145
Guar Seed	NCDEX	Jun	5,393	5,344	5,369	5,394	5,419	5,444	Bearish	Moderate	5357 - 5407
Guar Gum	NCDEX	Jun	10,594	10,495	10,544	10,598	10,647	10,701	Bearish	Moderate	10520 - 10623
Mentha Oil	MCX	Jun	921	903	911.97	919	928	935	Bearish	Moderate	915 - 931
Turmeric	NCDEX	Jun	17,374	16,499	16,937	17,543	17,981	18,587	Bearish	Moderate	16718 - 17762

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	71584	70670	71127	71997	72454	73324	Bearish	Moderate	70899 - 72226
Gold Comex	Comex	June	2319	2284	2301	2336	2353	2388	Bearish	Moderate	2293 - 2345
Silver	MCX	July	89139	87362	88251	89965	90854	92568	Bearish	Moderate	87807 - 90410
Silver Comex	Comex	July	29.61	28.61	29.11	30.01	30.51	31.41	Bearish	Moderate	29 - 30
Crude	MCX	June	6746	6664	6705	6772	6813	6880	Bearish	Moderate	6685 - 6793
Crude Nymex	Nymex	July	79.96	78.81	79.39	80.16	80.74	81.51	Bearish	Moderate	79 - 80
Nat Gas	MCX	June	238	230	234	238	242	246	Bearish	Moderate	232 - 240
BullDex	MCX	June	18790	18444	18617	18733	18906	19022	Bullish	High	18675 - 18964
Copper	MCX	June	847.20	835	841	851	857	867	Bearish	Moderate	838 - 854
Zinc	MCX	June	263.00	259	261	262	264	265	Bullish	High	262 - 265
Lead	MCX	June	189	187	188	188	189	190	Flat	Moderate	187 - 189
Aluminum	MCX	June	232.70	228	230	232	235	236	Flat	Moderate	231 - 235

Navneet Damani

Head Research- Currencies and Commodities

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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