



Tuesday, June 25, 2024

Overview

- Gold prices steady ahead of key US data paving path for Fed's rate decision
- Oil prices gain on optimistic summer demand trend
- This week US GDP, Core PCE Index and few Fed officials' comments will be important.

Precious Metals

Gold price were steady in the yesterday's session, after a sell off witnessed last week as investors cautiously looked forward to U.S. inflation data due later this week that could influence the Federal Reserve's monetary policy path. Mixed economic data points have kept market participants on the edge, as in the previous week, US Retail sales was reported lower than expectations while IIP, manufacturing and services PMI data were reported better than expectations weighing on bullions. On other hand, Fed officials have kept a cautious approach, mentioning that they are in no hurry to raise rates and will wait for inflation to ease further. This delay in interest rate cuts is weighing on bullions. Yesterday, Fed policymaker, Austin Goolsbee mentioned that he welcomes cooling inflation data and said it may be time to think about whether policy is putting too much pressure on the economy. Market participants continue to price in a 60% chance of Fed rate cut in September, according to CME Fed-Watch Tool. Along with US GDP, Inflation, consumer confidence market participants will also keep an eye on comments from at least five Fed policymakers which could trigger volatility in the market. Gold on domestic front is expected to trade in a range of ₹71000-72000.

| Precious metals | Close (\$) | %Chg. |
|-----------------|-------------------|------------|
| Gold | 2328.1 | -0.2% |
| Silver | 29.47 | -0.5% |
| CFTC data | Speculative Longs | Change WoW |
| Gold | 177549 | -3212 |
| Silver | 29600 | -6201 |
| ETF | Close | %Chg. |
| GOLD ETF | 1948.8 | -4.00 |
| Silver ETF | 25122 | 244.32 |
| Others | Close | %Chg. |
| DXY | 105.47 | -0.1% |
| US 10Y Yields | 4.23 | -0.2% |

Base Metals

Copper prices were little changed as the market is struggling between sluggish demand in China and ongoing supply side issues. Last week negotiations between China copper smelters and Chilean miners reflected the tightness in the concentrate market. Processing fees for the second half of the year look likely to fall dramatically as Chinese smelters compete for increasingly scarce sources of ore. On other hand, demand related concerns is also increasing; Chinese copper fabricators warned about customers becoming more careful amid downturn in property sector. Concerns regarding growth, property sector, excessive debt levels, an historically high level of inventory and higher prices proving to be a headwind for prices on high side. In the broader market, the dollar remained strong ahead of Friday's release of the U.S. personal consumption expenditures (PCE) price index.

Energy

Oil prices increased almost 1% in previous session, boosted by the possibility of a good summer driving demand, and tensions in the Middle East and drone assaults on Russian facilities raised fears about supply. Following last week's significant reduction in US crude and gasoline stockpiles, markets are waiting to see if the inventory report this week will provide more evidence of continuing high gasoline demand, confirming the pickup in summer demand for oil, further supporting prices. Tensions in the Middle East and a surge in Ukrainian drone strikes on Russian refineries, kept prices elevated. It is important to note that the US economy grapples with high interest rates and persistent inflation, the dollar strengthens, which may potentially limit advances in oil prices. This week's GDP and Core PCE Index will be important to watch for further cues on Fed's decision on rates. Delays to interest rate cut would keep the cost of borrowing higher for longer, which could reduce economic activity and hurt oil demand. Natural gas prices rose 2% on forecasts of hotter weather and increased cooling demand. This rise followed a two-day decline to the lowest level since June 4. Meteorologists predict temperatures across the Lower 48 states will stay above normal through at least July 9, which boost the use of gas-powered generators to run air conditioners.

| Base Metals (MCX) | Close (Rs.) | %Chg. |
|-------------------|------------------|-------|
| Copper | 843 | -1.7% |
| Aluminium | 228 ^P | 0.1% |
| Nickel | 1465 | -0.4% |
| Lead | 190 | 0.9% |
| Zinc | 259 | 0.4% |

| Inventory | | Current | W/W Chg. | Units |
|-----------|----------|---------|----------|-------|
| Copper | LME | 167825 | 2650 | MT |
| | Shanghai | 322910 | -7843 | MT |
| Aluminum | LME | 1049825 | -5600 | MT |
| | Shanghai | 228739 | 4436 | MT |
| Nickel | LME | 90906 | 456 | MT |
| | Shanghai | 19528 | -168 | MT |
| Lead | LME | 223950 | -1325 | MT |
| | Shanghai | 54087 | -11497 | MT |
| Zinc | LME | 240400 | -2125 | MT |
| | Shanghai | 128107 | 2699 | MT |

| Energy | Close (\$) | %Chg. |
|---------------|------------|-------|
| WTI Crude oil | 81.60 | -0.2% |
| Natural gas | 2.83 | 3.8% |

| 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 | 190665 | -2070 |
| Natural Gas | 38642 | -2342 |

MT- Metric Ton, MNBL – Million Barrel, BCF –Billion Cubic Feet.

Options Monitor

MCX Gold Mini

| Call | | Particulars | | | Put | | | |
|-------------|------|-------------|---------|--------------|---------|--------|------|-------------|
| % Chg in OI | OI | Volume | Premium | Strike | Premium | Volume | OI | % Chg in OI |
| 0.0% | 0 | 0 | 1948 | 69500 | 0.5 | 0 | 0 | 0.0% |
| -22.5% | 403 | 397 | 1489 | 70000 | 13.5 | 8412 | 2245 | 2.8% |
| 0.0% | 1 | 1 | 1063 | 70500 | 25 | 956 | 164 | 69.1% |
| 15.5% | 677 | 4369 | 566 | 71000 | 67.5 | 18060 | 3331 | 3.4% |
| 114.1% | 1458 | 14466 | 287.5 | 71500 | 231.5 | 7341 | 974 | 30.4% |
| 10.1% | 3612 | 24120 | 152 | 72000 | 599.5 | 2342 | 1234 | -3.4% |
| 12.8% | 2091 | 8948 | 79 | 72500 | 1024 | 51 | 281 | -3.4% |
| 23.0% | 4924 | 14344 | 46.5 | 73000 | 1525.5 | 114 | 687 | -5.4% |
| 212.5% | 75 | 542 | 29.5 | 73500 | 1988 | 0 | 0 | 0.0% |

MCX Crude Oil

| Call | | Particulars | | | Put | | | |
|-------------|------|-------------|---------|-------------|---------|--------|-------|-------------|
| % Chg in OI | OI | Volume | Premium | Strike | Premium | Volume | OI | % Chg in OI |
| 0.1% | 1232 | 15417 | 250.8 | 6600 | 81.7 | 55134 | 9395 | 24.6% |
| -64.0% | 67 | 3856 | 221.4 | 6650 | 95.6 | 16169 | 1624 | 28.5% |
| -20.5% | 2579 | 97506 | 191.4 | 6700 | 112.1 | 110578 | 11091 | 80.9% |
| -40.2% | 885 | 46624 | 166.3 | 6750 | 132.1 | 40241 | 2577 | 62.6% |
| -4.3% | 7628 | 137574 | 142.2 | 6800 | 153.8 | 119201 | 10956 | 140.2% |
| -4.9% | 1206 | 23253 | 121.3 | 6850 | 177.7 | 6209 | 485 | 251.4% |
| -6.2% | 2778 | 59552 | 102.5 | 6900 | 205 | 16136 | 1272 | 32.4% |
| 1.1% | 1037 | 12579 | 86.6 | 6950 | 235.7 | 30 | 6 | 20.0% |
| -0.4% | 3769 | 43730 | 74 | 7000 | 268.5 | 3084 | 389 | 69.1% |

MCX Natural Gas

| Call | | Particulars | | | Put | | | |
|-------------|------|-------------|---------|------------|---------|--------|------|-------------|
| % Chg in OI | OI | Volume | Premium | Strike | Premium | Volume | OI | % Chg in OI |
| 134.8% | 270 | 89 | 39.85 | 200 | 2 | 14849 | 2231 | -47.9% |
| -96.0% | 34 | 86 | 31.8 | 210 | 3.25 | 14273 | 2045 | -49.3% |
| -70.6% | 945 | 4661 | 24.6 | 220 | 5.65 | 35925 | 3602 | -49.2% |
| -85.6% | 143 | 3774 | 21.75 | 225 | 7.25 | 18474 | 909 | -74.0% |
| -88.0% | 939 | 24976 | 18.95 | 230 | 255 | 40501 | 2756 | -10.5% |
| -93.4% | 547 | 15188 | 16.5 | 235 | 11.45 | 16562 | 868 | -72.2% |
| -67.4% | 2264 | 43051 | 14.1 | 240 | 13.85 | 26322 | 1653 | -31.3% |
| -65.1% | 3077 | 35594 | 10.15 | 250 | 19.6 | 6336 | 1009 | -15.4% |
| -85.4% | 1468 | 18825 | 7.35 | 260 | 26.5 | 466 | 263 | -72.0% |

Level Playing Sheet

| Commodity | Exch. | Expiry | Close | S2 | S1 | Pivot | R1 | R2 | Trend | Conviction | Intraday Range |
|-------------|-------|--------|--------|--------|--------|--------|--------|--------|---------|------------|----------------|
| Castor Seed | NCDEX | July | 5,774 | 5,742 | 5,758 | 5,782 | 5,798 | 5,822 | Bearish | Moderate | 5750 - 5790 |
| Cocudakl | NCDEX | July | 2,846 | 2,765 | 2,806 | 2,836 | 2,877 | 2,907 | Bearish | Moderate | 2821 - 2892 |
| Cotton | NCDEX | July | 58,250 | 57,617 | 57,933 | 58,117 | 58,433 | 58,617 | Bearish | Moderate | 58025 - 58525 |
| Dhaniya | NCDEX | July | 7,352 | 7,143 | 7,247 | 7,373 | 7,477 | 7,603 | Bearish | Moderate | 7195 - 7425 |
| Jeera | NCDEX | July | 29,435 | 28,292 | 28,863 | 29,522 | 30,093 | 30,752 | Bearish | Moderate | 29193 - 30423 |
| Guar Seed | NCDEX | July | 5,429 | 5,366 | 5,397 | 5,423 | 5,454 | 5,480 | Bearish | Moderate | 5382 - 5439 |
| Guar Gum | NCDEX | July | 10,633 | 10,518 | 10,575 | 10,623 | 10,680 | 10,728 | Bearish | Moderate | 10547 - 10652 |
| Mentha Oil | MCX | July | 924 | 907 | 915.13 | 924 | 933 | 942 | Flat | Moderate | 911 - 929 |
| Turmeric | NCDEX | Aug | 17,232 | 16,547 | 16,889 | 17,145 | 17,487 | 17,743 | Bearish | Moderate | 17017 - 17615 |

| Commodity | Exch. | Expiry | Close | S2 | S1 | Pivot | R1 | R2 | Trend | Conviction | Intraday Range |
|--------------|-------|--------|--------|-------|-------|-------|-------|-------|---------|------------|----------------|
| Gold | MCX | Aug | 71791 | 71398 | 71595 | 71727 | 71924 | 72056 | Bearish | Moderate | 71661 - 71990 |
| Gold Comex | Comex | July | 2332 | 2312 | 2322 | 2328 | 2339 | 2345 | Bearish | Moderate | 2325 - 2342 |
| Silver | MCX | July | 88999 | 88332 | 88666 | 89060 | 89394 | 89788 | Bearish | Moderate | 88499 - 89227 |
| Silver Comex | Comex | July | 29.53 | 29.17 | 29.35 | 29.55 | 29.73 | 29.94 | Bearish | Moderate | 29 - 30 |
| Crude | MCX | July | 6822 | 6655 | 6738 | 6784 | 6867 | 6913 | Bullish | High | 6761 - 6890 |
| Crude Nymex | Nymex | Aug | 80.86 | 78.99 | 79.92 | 80.46 | 81.39 | 81.93 | Bullish | Moderate | 80 - 82 |
| Nat Gas | MCX | July | 242 | 230 | 236 | 240 | 246 | 250 | Bearish | Moderate | 238 - 248 |
| BullDex | MCX | June | 18497 | 18434 | 18466 | 18504 | 18536 | 18574 | Bearish | Moderate | 18485 - 18555 |
| Copper | MCX | June | 843.10 | 837 | 840 | 844 | 847 | 851 | Bearish | Moderate | 838 - 846 |
| Zinc | MCX | June | 259.10 | 256 | 257 | 261 | 263 | 266 | Bearish | Moderate | 256 - 262 |
| Lead | MCX | June | 190 | 186 | 188 | 190 | 193 | 195 | #DIV/0! | #DIV/0! | 189 - 194 |
| Aluminum | MCX | June | 227.70 | 223 | 225 | 229 | 232 | 235 | Bearish | Moderate | 224 - 230 |

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