



Thursday, July 04, 2024

## Overview

- ISM Services PMI tumbled to four-year low of 48.8
- Gold climbs on reinforced expectations for interest rate cuts
- Oil fell following soft US economic data despite inventory draw
- US Markets to remain shut today on account of Independence Day holiday.

## Precious Metals

Gold prices rose more than 1% to a near two-week high while silver was up by more than 2%, on the back weak US economic data which increased rate cut bets by Fed, fall in Dollar index and rally in industrial metals. US private payroll data was reported lower than expectations at 150k v/s 163k; similarly, first-time applications for U.S. unemployment benefits increased last week, signaling an ease off in the labor market. A measure of U.S. services sector activity slumped to a four-year low in June amid a sharp drop in orders. Following the U.S. data, the dollar slipped against it major crosses to a two-week low, while the yield on the benchmark U.S. 10-year Treasury note slid. In the FOMC meeting minutes, Governor Powell reiterated that inflation concerns still exists and Fed is in no hurry to raise rates. Few months of data will be required to make a call for interest rate path ahead. Despite these comments, market now sees a 66% chance of the Fed cutting interest rates in September. US market remains shut today on the back of Independence day holiday. Focus now shifts to the nonfarm payrolls report due tomorrow, for more clarity on U.S. rate cuts.

Precious metals	Close (\$)	%Chg.
Gold	2359.7	0.2%
Silver	30.45	-0.1%
CFTC data	Speculative Longs	Change WoW
Gold	184710	-4823
Silver	32990	831
ETF	Close	%Chg.
GOLD ETF	1924.6	-3.68
Silver ETF	25100	102.39
Others	Close	%Chg.
DXY	105.40	-0.1%
US 10Y Yields	4.35	-1.0%

## Base Metals

Copper prices gained almost 2% in yesterday's trading session, buoyed signs of firming demand in China and a weaker dollar caused by softer than expected US economic data that boosted hopes of interest rate cuts. Fund buying has helped copper climb, but worries about demand prospects in top consumer China and an inventory uptrend in warehouses registered with London Metal Exchange (LME) are likely to cap prices. Stocks of copper in LME-registered warehouses have climbed nearly 80% since mid-May to reach 186450 tons for their highest levels since December. Chilean copper mining giant Codelco expects copper output to tick up the second half of this year, as reported by the state-run miner's Chairman.

## Energy

Oil prices retreated from two-month highs, as traders booked profits from this week's robust rally, while soft US economic data stoked concerns about long-term demand. However, prices remained supported by a significantly larger-than-expected decrease in inventories. Oil stockpiles declined by 12.157mb in the week to June 28, well exceeding estimates of a 0.4 mb draw. Outsized draws in gasoline and distillate stocks also indicated that demand was increasing during the summer season. A record number of Americans are expected to travel by road this week, on account of the Independence Day holiday today in the US. Persistent concerns over geopolitical disruptions in the Middle East, showed little signs of deescalating. The ISM Non-Manufacturing index plummeted to a four-year low of 48.8 in June, significantly below the consensus of 52.5, due to a severe drop in orders. Potential supply disruptions to Hurricane Beryl have also kept prices elevated, although concerns eased after the U.S. National Hurricane Center said the storm was expected to weaken by the time it entered the Gulf of Mexico. Natural gas prices were dampened by EIA's report of a 32bcf storage build, slightly above the expected 29 bcf. Gas in storage is now 18.8% above the seasonal norm.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	863	0.1%
Aluminium	233P	-0.1%
Nickel	1476	0.7%
Lead	189	0.5%
Zinc	273	0.4%

Inventory		Current	W/W Chg.	Units
Copper	LME	186450	1975	MT
	Shanghai	319521	-3389	MT
Aluminum	LME	1009825	-5100	MT
	Shanghai	234871	6132	MT
Nickel	LME	95994	492	MT
	Shanghai	19599	-95	MT
Lead	LME	222875	-3200	MT
	Shanghai	53843	-244	MT
Zinc	LME	259025	-750	MT
	Shanghai	126413	-1694	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	83.40	-0.3%
Natural gas	2.43	-0.7%

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	235816	45151
Natural Gas	34625	-4017

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		
-10.2%	115	149	1799	70000	105.5	1973	961	32.4%	
0.0%	0	0	1484.5	70500	181.5	206	77	-3.8%	
-11.3%	329	887	1135	71000	271	3811	1675	68.2%	
-33.3%	166	682	897	71500	424.5	911	461	24.3%	
-57.4%	1016	9638	683.5	<b>72000</b>	619.5	5835	1137	150.4%	
107.4%	112	774	521.5	72500	987.5	10	7	0.0%	
2.1%	1166	5206	399.5	73000	1156	588	322	87.2%	
300.0%	8	13	219	73500	1544	0	0	0.0%	
27.4%	763	1939	237.5	74000	1912	0	1	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-5.2%	5718	60284	220.2	6800	59.2	125039	19132	8.5%	
-2.6%	1959	21693	188.3	6850	75.4	41419	4649	9.8%	
68.8%	7729	209557	161.6	6900	95.3	215171	11698	34.7%	
57.1%	3444	78590	136.6	6950	118.6	61924	1782	100.4%	
31.5%	14336	168792	115	<b>7000</b>	144.3	113181	4619	-5.1%	
75.5%	3119	33555	95.2	7050	174.2	6619	507	-39.2%	
0.5%	4647	64787	78.3	7100	208.4	21786	1399	-8.4%	
-30.2%	887	11259	63.6	7150	247	1	6	0.0%	
19.7%	4339	37608	53	7200	282.1	3795	352	-16.0%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	0	0	30.2	175	1.5	1230	620	4.4%	
0.0%	0	0	22	185	3.3	4841	927	50.2%	
51.5%	103	4766	16	195	6.5	11103	1241	72.8%	
34.5%	2575	33869	13.15	200	8.75	38488	4662	20.2%	
99.1%	2073	32577	10.8	<b>205</b>	255	24112	2177	49.5%	
37.5%	6228	40292	8.75	210	14.25	19075	3865	1.2%	
34.7%	3202	14228	6.95	215	17.55	4654	636	-14.7%	
2.7%	4034	7700	4.5	225	25.1	291	972	-7.4%	
5.6%	3878	3424	2.9	235	33.85	82	613	-9.1%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	July	5,835	5,785	5,810	5,845	5,870	5,905	Bearish	Moderate	5798 - 5858
Cocudakl	NCDEX	July	2,832	2,805	2,819	2,836	2,850	2,867	Bearish	Moderate	2828 - 2859
Cotton	NCDEX	July	58,720	58,640	58,680	58,740	58,780	58,840	Bearish	Moderate	58710 - 58810
Dhaniya	NCDEX	July	7,248	7,149	7,199	7,239	7,289	7,329	Bearish	Moderate	7219 - 7309
Jeera	NCDEX	July	28,930	28,303	28,617	28,838	29,152	29,373	Bearish	Moderate	28728 - 29263
Guar Seed	NCDEX	July	5,351	5,256	5,303	5,336	5,383	5,416	Bearish	Moderate	5320 - 5400
Guar Gum	NCDEX	July	10,501	10,187	10,344	10,452	10,609	10,717	Bearish	Moderate	10398 - 10663
Mentha Oil	MCX	July	961	925	942.87	955	973	986	Bullish	Moderate	949 - 979
Turmeric	NCDEX	Aug	16,168	15,760	15,964	16,304	16,508	16,848	Bearish	Moderate	15862 - 16406

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	72403	71332	71868	72220	72756	73108	Bullish	High	72044 - 72932
Gold Comex	Comex	July	2360	2320	2340	2351	2371	2381	Bullish	High	2345 - 2376
Silver	MCX	Sep	92021	88930	90475	91438	92983	93946	Bullish	High	90957 - 93465
Silver Comex	Comex	Aug	30.67	29.22	29.95	30.37	31.10	31.52	Bullish	Moderate	30 - 31
Crude	MCX	July	6951	6851	6901	6935	6985	7019	Bullish	High	6876 - 6960
Crude Nymex	Nymex	Sep	83.02	81.08	82.05	82.56	83.53	84.04	Bullish	Moderate	82 - 84
Nat Gas	MCX	July	204	199	201	204	207	210	Bearish	Moderate	200 - 206
BullDex	MCX	July	18386	18265	18325	18388	18448	18511	Flat	Moderate	18295 - 18418
Copper	MCX	July	863.30	841	852	859	870	877	Strong	Moderate	856 - 874
Zinc	MCX	July	272.80	266	269	271	275	277	Bullish	High	270 - 276
Lead	MCX	July	189	188	189	189	190	190	Bearish	Moderate	189 - 190
Aluminum	MCX	July	233.40	229	231	233	235	236	Strong	Moderate	232 - 236

**Navneet Damani**

**Head Research- Currencies and Commodities**

**Commodity Disclosure & Disclaimer:**

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on [www.motilaloswal.com](http://www.motilaloswal.com). MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CRCL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

**Terms & Conditions:**

- This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.
- This material is for the personal information of the authorized recipient and we are not soliciting any action based upon it.
- This report is not to be construed as an offer to sell or solicitation of an offer to buy any commodity or commodity derivative to any person in any jurisdiction where such an offer or solicitation would be illegal.
- It is for the general information of clients of MOFSL. It doesn't constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.
- The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL.
- The report is based on the facts, figures and information that are considered true, correct, reliable and accurate.
- All such information and opinions are subject to change without notice.
- Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
- We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed.
- Neither MOFSL, nor any person connected with it, accepts any liability arising from the use of this document.
- The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the commodity referred to in this material may go up or down. Past performance is not a guide for future performance.
- Certain transactions including those involving commodity derivatives involve substantial risk and are not suitable for all investors.
- Reports based on technical analysis centers on studying charts of a commodity's price movement and trading volume as opposed to focusing on a commodity's fundamentals and as such may not match with a report on a commodity's fundamentals.
- Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject commodity for which Research Team have expressed their views.
- MOFSL or its associates or Research Analyst or his relatives may have Open Position in subject commodity.
- A graph of daily closing prices of commodities is available at <http://www.moneyline.co.in/>
- Opinions expressed are our current opinions as of the date appearing on this material only. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.
- The commodities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.
- This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment.
- The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the commodities mentioned in this document.
- The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein.
- The commodities described herein may or may not be eligible for trade in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
- Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.
- MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may (a) from time to time, have long or short positions in, and buy or sell the commodities mentioned herein or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodity/ (ies) discussed herein or have other potential conflict of interest with respect to any recommendation and related information and opinions. However the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the commodities mentioned in the research report.
- MOFSL and its associates and Research Analyst have not received any compensation or other benefits in connection with the research report. Compensation of Research Analysts is not based on any brokerage transactions generated by broking activities under Motilal Oswal group.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; [www.motilaloswal.com](http://www.motilaloswal.com). Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: [na@motilaloswal.com](mailto:na@motilaloswal.com), Contact No.:022-40548085.

**Grievance Redressal Cell:**

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	<a href="mailto:query@motilaloswal.com">query@motilaloswal.com</a>
Ms. Kumud Upadhyay	022 40548082	<a href="mailto:servicehead@motilaloswal.com">servicehead@motilaloswal.com</a>
Mr. Ajay Menon	022 40548083	<a href="mailto:am@motilaloswal.com">am@motilaloswal.com</a>

Registration details of group entities : Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to [query@motilaloswal.com](mailto:query@motilaloswal.com). In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to [grievances@motilaloswal.com](mailto:grievances@motilaloswal.com), for DP to [dp@grievances@motilaloswal.com](mailto:dp@grievances@motilaloswal.com).