



Wednesday, July 10, 2024

## Overview

- Gold steadied after increase in rate cut expectations
- Oil inched lower as hurricane impact fades
- Focus today will be on OPEC monthly report and inventories.

## Precious Metals

Gold and silver posted gains in previous session after some profit booking witnessed at start of this week, on the back of increase in rate cut expectations and geo-political tensions. In his testimony to the US Senate Banking Committee, Governor Powell said inflation had eased notably over the past couple of years but the Fed need more confidence before cutting interest rates. He also mentioned that labor market has cooled down but still is strong leading to this delay in rate cuts. Fed is chair is watchful of economic data points as he accepted that keeping rates too high could jeopardize economic growth. Updates regarding geo-political tensions in Middle East is also supporting the risk premium in market. Economic data points last week were mixed with unemployment reported above 4% for first time since Dec',21, while non-farm payroll showed addition in jobs data. Similarly, this week is important as market participants will keep an eye on US inflation data as that could further clarity regarding Fed's interest rate path ahead. Central bank purchases were in focus. The Czech Republic and Serbia expanded its gold reserves in June, easing concerns about a broader slowdown in central bank buying after data showed the PBoC went a second month with no purchases. Gold on domestic front could trade in a range of Rs. 72,200-73,000

Precious metals	Close (\$)	%Chg.
Gold	2368.4	0.2%
Silver	30.94	0.5%
CFTC data	Speculative Longs	Change WoW
Gold	178541	-6169
Silver	32472	-518
ETF	Close	%Chg.
GOLD ETF	1952.1	2.24
Silver ETF	24997	-11.31
Others	Close	%Chg.
DXY	105.13	0.0%
US 10Y Yields	4.31	0.7%

## Base Metals

Industrial metals were steady on the back of inflation data from China, Governor Powell's testimony and firm Dollar index. The market is also waiting for policy decisions from China's Third Plenum next week, which could shape consumption and provide clarity regarding monetary policy changes by PBoC. Inflation data from China is not very supportive still as, China CPI on annual basis is reported at 0.2% against expectations of 0.4%, while on monthly it was at -0.2% v/s -0.1%. on other hand, PPI data was in-line with expectations at -0.8%. Mixed economic data are raising hopes that Beijing will instigate more stimulus to boost growth. However, copper gave up gains amid a broader selloff as Powell failed to shed light on when the Fed would make its first cut. China's copper refiners continue to pump out metal despite a global shortage of concentrate. Output rose 9.5% y/y to 1.005mt last month, beating estimates, according to a Shanghai Metals Market survey.

## Energy

Oil prices crept lower for a third consecutive day as impacts from Hurricane Beryl weren't as disruptive as anticipated to oil-producing infrastructure, easing concerns about supply disruptions. Although some offshore U.S. production sites were evacuated, ports were blocked, and refining halted, major refineries along the country's Gulf Coast appeared to have suffered little damage when Beryl fell into a tropical storm. Gaza ceasefire talks have also eased prices, as some progress on a negotiation comes in place. API data showed a bigger-than-expected draw in U.S. inventories, although a build in distillate stockpiles somewhat offset optimism over tighter markets. U.S. oil inventories saw a draw of 1.9 million barrels, compared to forecasts for a draw of 0.25 mb. Gasoline stockpiles fell by 3 mb, while distillates grew by 2.3 mb, indicating somewhat mixed demand for fuel and heating oil, amid sporadic weather conditions. Natural gas prices steadied amidst easing concerns over the impact of Hurricane Beryl on US LNG facilities. Freeport LNG has announced plans to resume production once the storm passes. Also, a heat wave persists across much of the US, driving increased natural gas usage for electricity generation to meet high demand for air conditioning.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	869	-0.6%
Aluminium	2300	-0.6%
Nickel	1463	-0.2%
Lead	189	-0.8%
Zinc	272	-1.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	191025	-450	MT
	Shanghai	321642	2121	MT
Aluminum	LME	988525	-5650	MT
	Shanghai	244020	9149	MT
Nickel	LME	97872	402	MT
	Shanghai	18850	-189	MT
Lead	LME	216925	-1875	MT
	Shanghai	56166	2323	MT
Zinc	LME	256375	-2300	MT
	Shanghai	126697	284	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	81.40	-0.5%
Natural gas	2.36	-0.9%

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	249081	13265
Natural Gas	3166	-31459

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%	0	0	1980	70500	123.5	29	90	-1.1%	
-2.7%	293	252	1534.5	71000	185	1936	1231	5.8%	
12.8%	246	116	1189.5	71500	326.5	848	285	-39.7%	
7.4%	1041	3627	897.5	72000	505	6374	1264	11.9%	
15.4%	375	2321	655	<b>72500</b>	752	781	177	9.9%	
7.7%	2463	6585	472	73000	1047	955	1032	4.7%	
1.8%	57	248	330.5	73500	1396.5	0	2	0.0%	
2.3%	967	2615	232.5	74000	1842.5	19	144	-3.4%	
0.0%	3	0	190	74500	2211.5	0	0	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
21.6%	597	11255	295.7	6600	20.1	40917	9253	1.1%	
100.0%	58	3710	253.7	6650	27.2	22815	1502	-6.2%	
26.4%	2076	80256	208.1	6700	37.5	108459	11342	-3.7%	
16.4%	907	38915	168.2	6750	49.8	73113	4380	-5.1%	
41.4%	7235	310999	135.5	<b>6800</b>	69.2	305510	12881	-6.4%	
168.2%	4626	175700	106.7	6850	90.7	154748	3861	-13.0%	
20.4%	14571	333012	82.7	6900	118.6	254450	7859	-20.3%	
24.2%	5400	77646	61.7	6950	149.8	34897	1022	-37.5%	
7.2%	18265	137693	45.5	7000	189.1	72462	2806	-14.6%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		
	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI	
0.0%	2	0	35.3	160	0.3	2800	1892	9.6%	
900.0%	110	129	28.95	170	0.75	7233	4848	9.4%	
22.2%	176	1469	20.05	180	1.9	14762	4639	23.4%	
126.6%	281	1559	16.1	185	2.85	12756	2466	-2.8%	
-10.5%	1036	17285	12.8	<b>190</b>	255	36362	3544	-19.0%	
-6.9%	1709	35409	10.15	195	6.3	39178	2389	-12.9%	
6.0%	9191	91444	7.75	200	8.8	67706	6148	24.4%	
11.6%	7939	46068	4.25	210	15.05	13860	3546	1.8%	
10.5%	11217	25488	2.35	220	23.1	2602	2108	-11.5%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Aug	6,083	6,008	6,045	6,090	6,127	6,172	Bearish	Moderate	6027 - 6109
Cocudakl	NCDEX	Aug	2,955	2,907	2,931	2,950	2,974	2,993	Bearish	Moderate	2941 - 2984
Cotton	NCDEX	July	58,170	57,810	57,990	58,190	58,370	58,570	Bearish	Moderate	57900 - 58280
Dhaniya	NCDEX	Aug	7,250	7,175	7,213	7,265	7,303	7,355	Bearish	Moderate	7194 - 7284
Jeera	NCDEX	July	27,940	27,313	27,627	28,013	28,327	28,713	Bearish	Moderate	27470 - 28170
Guar Seed	NCDEX	Aug	5,447	5,406	5,427	5,450	5,471	5,494	Bearish	Moderate	5439 - 5483
Guar Gum	NCDEX	Aug	10,684	10,581	10,632	10,701	10,752	10,821	Bearish	Moderate	10667 - 10787
Mentha Oil	MCX	July	965	953	958.90	968	974	983	Bearish	Moderate	956 - 971
Turmeric	NCDEX	Aug	15,450	14,907	15,179	15,371	15,643	15,835	Bearish	Moderate	15275 - 15739

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	72398	71858	72128	72381	72651	72904	Bearish	Moderate	71993 - 72516
Gold Comex	Comex	July	2360	2358	2359	2361	2362	2365	Bearish	Moderate	2359 - 2362
Silver	MCX	Sep	92969	91685	92327	93009	93651	94333	Bullish	High	92668 - 93992
Silver Comex	Comex	Aug	30.88	30.30	30.59	30.91	31.20	31.52	Bearish	Moderate	30 - 31
Crude	MCX	July	6830	6743	6787	6836	6880	6929	Bearish	Moderate	6765 - 6858
Crude Nymex	Nymex	Sep	80.56	79.65	80.10	80.88	81.33	82.11	Bearish	Moderate	80 - 81
Nat Gas	MCX	July	199	190	195	200	204	209	Flat	Moderate	197 - 207
BullDex	MCX	July	18713	18584	18649	18724	18789	18864	Bearish	Moderate	18617 - 18757
Copper	MCX	July	868.90	858	864	870	875	882	Bearish	Moderate	867 - 878
Zinc	MCX	July	271.70	269	270	272	273	275	Bearish	Moderate	271 - 274
Lead	MCX	July	189	187	188	189	190	191	Bearish	Moderate	187 - 190
Aluminum	MCX	July	230.35	227	229	231	233	235	Bearish	Moderate	228 - 232

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