



Thursday, July 11, 2024

Overview

- Gold prices rose ahead of US CPI report
- Oil inched higher on surprise draw in stockpiles
- Metals gained on weaker dollar and cooling inflation in China
- Focus today will be on US inflation and weekly jobless claims.

Precious Metals

Gold prices firmed for a third consecutive session with investors awaiting U.S. inflation data due later in the day for more insights on the Federal Reserve's interest rate path. Fed Chair Jerome Powell in yesterday's session mentioned that the U.S. central bank would make interest rate decisions "when and as" they were needed. He told House members that "more good data" would build the case for a rate cut. Addressing the lawmakers in Washington yesterday, he said he has confidence that inflation is headed downwards, however, stressed that the Fed has more work to do. Traders are currently pricing in a 46% probability that the Fed will have cut rates by two notches by the end of December's meeting and a 73% probability for the first cut in September, according to CME Group's Fed-Watch tool. Investor demand continues to pick up, with Central banks continuing to increase their reserves, gold-backed exchange traded funds saw inflows for a second consecutive month in June. Dollar Index is trading steady post the fall from 106 level, similarly US 10Y Yield is also holding ground ~4.2% after a fall from 4.4% level. Investors are waiting for the June CPI data today and the PPI report tomorrow, which could add clarity to the Fed monetary policy path ahead. Gold on domestic front could trade in a range of Rs. 72,300-73,300

Precious metals	Close (\$)	%Chg.
Gold	2377.5	0.3%
Silver	30.98	0.6%
CFTC data	Speculative Longs	Change WoW
Gold	178541	-6169
Silver	32472	-518
ETF	Close	%Chg.
GOLD ETF	1938.3	-13.80
Silver ETF	24975	-22.72
Others	Close	%Chg.
DXY	105.05	-0.1%
US 10Y Yields	4.29	-0.5%

Base Metals

London copper prices rose for the first time in three sessions aided by a weaker dollar and prospects of easing monetary policy, which supported the sentiment in the base metals sector. However, signs of weak demand amidst the rise in inventory limited the gains for Copper prices. Stockpiles jumped 2.3% to 195.5kt, their highest level since October 2021, on the London Metal Exchange. Most of the gains came in warehouses in Korea and Taiwan, which are the closest delivery points for metal flowing out of China. Metal that originated from China now makes up 45% of all copper stored in LME warehouses, with a large portion of the increase since May coming from the country. Exports from China have also jumped to record levels this year as traders make use of better pricing on the international market. Mixed economic data are raising hopes that Beijing will instigate more stimulus to boost growth in next week's annual meet in China.

Energy

Oil prices settled higher in previous session supported by data showing a larger-than-expected draw in U.S. inventories, suggesting tight conditions in the world's largest consumer. Oil inventories unexpectedly fell by 3.4mb in the week through Jul. 5, compared with expectations for a build of 700,000 barrels. The surprise draws in and crude stocks was driven by a rise in refinery activity to 95.4% of their capacity, above 93.5% in the prior week, following a limited impact on oil infrastructure in the Gulf of Mexico from hurricane Beryl. The surprise draw follows a huge draw the previous week, as fuel supplies prepared for record-high travel demand for Independence Day week. Gasoline stockpiles fell by 2M barrels, while distillates grew by 4.8M barrels. OPEC upheld its forecast for robust global oil demand growth in 2024, particularly in the summer. The EIA anticipates global oil demand to reach 104.7 mbpd by 2025, slightly above the projected supply of 104.6 mbpd, showing a future deficit. Further gains were capped by speculation over a potential ceasefire between Israel and Gaza, as Hamas made several concessions to reach a deal with Israel. Gas prices inched lower amidst easing concerns over the impact of Hurricane Beryl on US liquefied natural gas facilities. Although, meteorologists predict above-average temperatures across the Lower 48 states through at least July 23.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	869	-0.1%
Aluminium	2290	-1.0%
Nickel	1461	-0.1%
Lead	189	0.0%
Zinc	274	0.1%

Inventory		Current	W/W Chg.	Units
Copper	LME	195475	4450	MT
	Shanghai	321642	2121	MT
Aluminum	LME	987025	-1500	MT
	Shanghai	244020	9149	MT
Nickel	LME	98088	216	MT
	Shanghai	18929	79	MT
Lead	LME	214350	-2575	MT
	Shanghai	56166	2323	MT
Zinc	LME	255050	-1325	MT
	Shanghai	126697	284	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	82.82	0.5%
Natural gas	2.34	-0.6%

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		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	0	0	2001.5	70500	87	59	96	6.7%	
-4.8%	279	151	1545.5	71000	145	1720	1175	-4.5%	
-4.1%	236	115	1200.5	71500	259	328	267	-6.3%	
-22.2%	810	1667	895	72000	400	5123	1170	-7.4%	
-29.3%	265	1463	651	72500	615	1334	213	20.3%	
-10.7%	2200	5980	465.5	73000	891	2356	1068	3.5%	
98.2%	113	421	309	73500	1189	4	2	0.0%	
0.3%	970	2677	219	74000	1562.5	116	141	-2.1%	
66.7%	5	5	103	74500	1982	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-27.0%	436	22589	251.2	6600	12.6	56045	11378	23.0%	
-36.2%	37	6040	209.8	6650	18	29569	2309	53.7%	
35.5%	2812	111276	169.4	6700	26.8	199598	16329	44.0%	
11.6%	1012	88055	132.7	6750	37.7	140175	7213	64.7%	
-4.0%	6946	393644	101.5	6800	54	419099	20504	59.2%	
-41.3%	2715	151628	74.5	6850	72.9	130878	6791	75.9%	
-30.1%	10190	290556	53.6	6900	99.1	231951	7900	0.5%	
-7.9%	4974	57903	36.7	6950	129.7	29933	1078	5.5%	
-12.8%	15936	136927	25.4	7000	167.1	68251	2592	-7.6%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
50.0%	3	3	39.05	160	0.25	3192	2307	21.9%	
1.8%	112	39	31.95	170	0.7	13783	6281	29.6%	
106.8%	364	2802	20.75	180	2.2	20092	4268	-8.0%	
12.5%	316	4944	16.95	185	3.6	15804	2592	5.1%	
133.3%	2417	29398	13.5	190	255	43150	4699	32.6%	
132.1%	3966	41522	10.4	195	7.95	41355	2875	20.3%	
31.5%	12082	77366	7.95	200	10.85	50718	5803	-5.6%	
19.8%	9514	33641	4.35	210	18	8544	3157	-11.0%	
9.4%	12266	19612	2.45	220	26.55	335	2056	-2.5%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Aug	6,158	6,001	6,080	6,123	6,202	6,245	Bearish	Moderate	6102 - 6224
Cocudakl	NCDEX	Aug	3,060	2,909	2,984	3,027	3,102	3,145	Bearish	Moderate	3006 - 3124
Cotton	NCDEX	July	58,000	58,000	58,000	58,000	58,000	58,000	Bearish	Moderate	58000 - 58000
Dhaniya	NCDEX	Aug	7,288	7,136	7,212	7,270	7,346	7,404	Bearish	Moderate	7241 - 7375
Jeera	NCDEX	July	28,135	27,792	27,963	28,082	28,253	28,372	Bearish	Moderate	28023 - 28313
Guar Seed	NCDEX	Aug	5,540	5,423	5,481	5,519	5,577	5,615	Bearish	Moderate	5500 - 5596
Guar Gum	NCDEX	Aug	10,877	10,633	10,755	10,842	10,964	11,051	Bearish	Moderate	10799 - 11008
Mentha Oil	MCX	July	976	959	967.67	973	981	986	Bullish	High	970 - 984
Turmeric	NCDEX	Aug	15,494	15,154	15,324	15,450	15,620	15,746	Bearish	Moderate	15387 - 15683

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	72668	72241	72455	72713	72927	73185	Bullish	High	72584 - 73056
Gold Comex	Comex	July	2372	2360	2366	2372	2378	2383	Bullish	High	2369 - 2380
Silver	MCX	Sep	92832	91997	92415	93097	93515	94197	Bullish	Moderate	92206 - 93306
Silver Comex	Comex	Aug	30.84	30.50	30.67	30.96	31.13	31.42	Bearish	Moderate	31 - 31
Crude	MCX	July	6858	6692	6775	6837	6920	6982	Bearish	Moderate	6806 - 6951
Crude Nymex	Nymex	Sep	81.07	79.22	80.15	80.87	81.80	82.52	Bearish	Moderate	81 - 82
Nat Gas	MCX	July	195	188	191	196	199	203	Bearish	Moderate	190 - 197
BullDex	MCX	July	18767	18681	18724	18785	18828	18889	Bullish	High	18755 - 18859
Copper	MCX	July	868.70	856	862	869	876	883	Bearish	Moderate	866 - 879
Zinc	MCX	July	273.60	268	271	273	275	277	Bullish	High	272 - 276
Lead	MCX	July	189	188	188	189	189	190	Bearish	Moderate	188 - 189
Aluminum	MCX	July	228.95	227	228	229	230	231	Bearish	Moderate	228 - 229

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