



Friday, July 12, 2024

## Overview

- US Inflation cooled off more than expected at 3%
- Gold and silver gained as rate cut expectations rose
- Natural gas prices fell after larger injection in storage
- Focus today will be on US PPI and consumer sentiment.

## Precious Metals

Gold and Silver price inched higher, benefiting from weakness in dollar and Treasury yields as speculation over US interest rate cuts grew after US inflation data. Data showed that U.S. consumer prices fell and the annual increase was the smallest in a year, drawing the Fed another step closer to cutting interest rates. US headline inflation was reported at 3.1% against expectations of 3.3%, while monthly CPI was reported at -0.1%. Core CPI was also reported 0.1% lower than the expectations at 3.3%. Post these numbers dollar index fell by about 60 bps to 104.20; similarly, US 10Y Yields also witnessed a drop. Bets for rate cut for September Fed meeting also increased from 60% to ~85% after the data, this supported an up-move in both Gold and Silver prices. This should provide some comfort to US Federal Reserve, with Chair Jerome Powell saying earlier this week that they have more work to do to bring inflation down. San Francisco Fed President Daly said that she expects further easing in both price pressures and the labor market to warrant interest rate cuts, while Chicago Fed President Goolsbee said the U.S. economy looks like it is back on track to 2% inflation. Focus today will be on US PPI, India CPI and Michigan Consumer sentiment data. Gold on domestic front could trade in a range of Rs. 72,800-73,800

Precious metals	Close (\$)	%Chg.
Gold	2409.3	-0.2%
Silver	31.23	-0.7%
CFTC data	Speculative Longs	Change WoW
Gold	178541	-6169
Silver	32472	-518
ETF	Close	%Chg.
GOLD ETF	1941.1	2.80
Silver ETF	24975	0.00
Others	Close	%Chg.
DXY	104.44	0.1%
US 10Y Yields	4.22	-2.1%

## Base Metals

Copper prices slipped, pressured by higher inventories amid weak demand, while market participants awaited trade data from top consumer China for further direction. Copper inventories in LME warehouses climbed to 206,775 tons, having doubled since the middle of May to their highest since October 2021. The increase was partly attributed to more cargoes from China, which also sent the price discount for nearby contracts against the benchmark contract to record highs. China will release its trade data later in the day, expectations shows exports could grow at the fastest pace in 15 months in June, as manufacturers front-load shipments in anticipation of tariffs from a growing number of the country's major export markets. This data is also important as import number will also show the overall demand trend in the economy. China's real estate problems may be massive, but there are expectations that Third Plenum scheduled next week could focus on other areas — such as high local government debt levels and a push for advanced manufacturing.

## Energy

Oil prices rose for second consecutive session boosted by rate cut cheer in the US after data showed greater than expected cool off in inflation and strong summer demand also helped prices. Consumer price index statistics for June were slightly worse than predicted, raising hopes that the Federal Reserve will have enough pressure to drop rates by 25 basis points in September. Travel demand in the world's largest fuel consumer reached all-time highs last week, following the Independence Day vacation. In its monthly oil market analysis, the International Energy Agency (IEA) predicted that world demand growth would decrease to less than a million barrels per day this year and next, owing primarily to a contraction in Chinese consumption. Still, in its monthly report on Wednesday, producer group OPEC maintained its predictions for global demand growth at 2.25 million bpd this year and 1.85 million bpd next year. Although, oil prices are set for some weekly losses amid profit taking and ceasefire talk and Hurricane Beryl was seen causing limited disruptions in production along the Gulf of Mexico. Natural gas prices fell lower than expected after EIA reported a larger than expected buildup in inventories at 65B above expectations of 56B.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	856	0.0%
Aluminium	2280	-0.6%
Nickel	1456	-0.3%
Lead	189	0.4%
Zinc	273	0.7%

Inventory		Current	W/W Chg.	Units
Copper	LME	206775	11300	MT
	Shanghai	321642	2121	MT
Aluminum	LME	982000	-5025	MT
	Shanghai	244020	9149	MT
Nickel	LME	98382	294	MT
	Shanghai	18703	-226	MT
Lead	LME	213200	-1150	MT
	Shanghai	56166	2323	MT
Zinc	LME	253300	-1750	MT
	Shanghai	126697	284	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	83.10	0.3%
Natural gas	2.28	-2.7%

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	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	
-10.0%	251	137	1807	71000	84	2229	1460	24.3%
-9.3%	214	74	1402.5	71500	135	485	300	12.4%
-13.0%	705	1375	1033	72000	228.5	5470	1656	41.5%
-15.8%	223	1238	768.5	72500	375.5	2317	440	106.6%
-9.1%	2000	10090	557	<b>73000</b>	584.5	6727	1701	59.3%
36.3%	154	1122	397.5	73500	851.5	47	22	1000.0%
14.5%	1111	4130	269.5	74000	1164.5	359	250	77.3%
0.0%	5	0	280.5	74500	1499	0	0	0.0%
-14.1%	898	1803	137	75000	1910.5	0	1	0.0%

### MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-8.8%	2565	67250	179.5	6700	15.9	108288	16192	-0.8%
-10.0%	911	37571	141.9	6750	22.8	85203	6521	-9.6%
-7.8%	6406	271455	107.6	6800	34.4	339489	20130	-1.8%
53.7%	4172	194710	79.3	6850	49	235079	6439	-5.2%
27.8%	13024	486969	55.1	<b>6900</b>	70.1	435624	11424	44.6%
13.1%	5625	130687	36	6950	97.7	83148	2159	100.3%
2.0%	16249	206750	23.5	7000	133.2	126513	3433	32.4%
0.6%	3917	41161	14.5	7050	172.9	12404	811	-19.9%
11.7%	6266	45344	10.1	7100	219.5	21959	446	7.2%

### MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
0.0%	3	2	35.65	160	0.3	2750	2038	-11.7%
-52.7%	53	366	25.15	170	0.95	9898	6608	5.2%
94.2%	707	5171	17.05	180	2.95	22059	4373	2.5%
78.5%	564	7716	13.3	185	4.7	18804	2442	-5.8%
149.0%	6019	45444	10.25	<b>190</b>	255	51400	6253	33.1%
86.5%	7396	48143	7.85	195	9.95	36617	3904	35.8%
22.3%	14776	52761	5.75	200	13.55	25571	5532	-4.7%
7.8%	10255	23503	3	210	21.5	2260	3092	-2.1%
0.3%	12301	14129	1.65	220	30.7	124	2029	-1.3%

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Aug	6,164	6,094	6,129	6,164	6,199	6,234	Bearish	Moderate	6112 - 6182
Cocudakl	NCDEX	Aug	3,062	3,013	3,037	3,065	3,089	3,117	Bearish	Moderate	3025 - 3077
Cotton	NCDEX	July	57,980	57,860	57,920	57,960	58,020	58,060	Bearish	Moderate	57890 - 57990
Dhaniya	NCDEX	Aug	7,258	7,195	7,227	7,281	7,313	7,367	Bearish	Moderate	7211 - 7297
Jeera	NCDEX	July	27,675	26,558	27,117	27,758	28,317	28,958	Bearish	Moderate	26838 - 28038
Guar Seed	NCDEX	Aug	5,534	5,480	5,507	5,542	5,569	5,604	Bearish	Moderate	5525 - 5587
Guar Gum	NCDEX	Aug	10,845	10,716	10,780	10,875	10,939	11,034	Bearish	Moderate	10748 - 10907
Mentha Oil	MCX	July	950	927	938.40	958	969	989	Bearish	Moderate	933 - 964
Turmeric	NCDEX	Aug	16,112	15,252	15,682	15,940	16,370	16,628	Flat	Moderate	15811 - 16499

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	73311	72522	72916	73125	73519	73728	Bullish	Moderate	73021 - 73624
Gold Comex	Comex	July	2415	2365	2390	2403	2428	2441	Bullish	High	2397 - 2435
Silver	MCX	Sep	94190	92537	93363	93977	94803	95417	Bullish	High	93670 - 95110
Silver Comex	Comex	Aug	31.50	30.56	31.03	31.40	31.87	32.24	Bullish	Moderate	31 - 32
Crude	MCX	July	6893	6788	6841	6877	6930	6966	Bullish	High	6815 - 6904
Crude Nymex	Nymex	Sep	81.38	80.04	80.71	81.27	81.94	82.50	Bullish	High	81 - 82
Nat Gas	MCX	July	190	185	188	192	195	199	Bearish	Moderate	187 - 193
BullDex	MCX	July	18923	18694	18808	18904	19018	19114	Bullish	Moderate	18856 - 19066
Copper	MCX	July	856.00	843	849	862	869	881	Bearish	Moderate	846 - 865
Zinc	MCX	July	273.00	270	272	274	276	278	Bearish	Moderate	271 - 275
Lead	MCX	July	189	188	189	189	190	190	Bearish	Moderate	189 - 190
Aluminum	MCX	July	228.45	227	228	229	230	232	Bearish	Moderate	227 - 230

**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, FMS, 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).