



Monday, July 29, 2024

Overview

- US June PCE core rate increased by 0.2% MoM
- Oil steadies amidst rise in geopolitical worries in Middle East
- This week, labor market data from US will be in focus.

Precious Metals

Gold and Silver price trade steady after a sharp fall witnessed in previous week on the back of duty cut announced in Union Budget and fluctuations in interest rate cut expectations weighing on Comex prices. India's Finance Minister in the recent budget announced a customs cut of 9%, from 15% to 6% weighing on domestic front. Market participants were cautious ahead of US GDP and inflation data scheduled last week. Both the metals on Comex were significantly down on a possible speculative sell-off and pricing in a possible rise in GDP data. Markets were also weighed, as rate cut expectations in September meet dropped from 91% to ~85%; US GDP was reported at 2.8% against previous quarter of 1.9%. On other hand, US PCE and Core PCE price index were reported in-line with expectations boosting the safe haven appeal for Gold and Silver. Fed policymakers got fresh evidence of progress on their battle against inflation, fueling expectations they will use their meeting next week to signal interest rate cuts starting in September. Post the cut in import duty, gold premiums in India jumped to their highest level in a decade last week. Focus this week will be on Fed policy meeting, US Consumer confidence, Factory orders and Jobs market data. Gold on domestic front could trade in a range of Rs. 67,800 - 68,800.

Precious metals	Close (\$)	%Chg.
Gold	2392.1	0.3%
Silver	27.94	0.2%
CFTC data	Speculative Longs	Change WoW
Gold	198444	-21915
Silver	25801	-12837
ETF	Close	%Chg.
GOLD ETF	1957.7	0.00
Silver ETF	25775	136.30
Others	Close	%Chg.
DXY	104.32	-0.1%
US 10Y Yields	4.17	-1.3%

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Base Metals

Base metals prices continue to trade in a tight range after a sell off in previous week, with investors looking at more cues on global economic outlook from the Federal reserve meeting and US data releases this week. Last week, Copper hit their lowest levels in more than three-and-a-half months on worries about China demand prospects after a slower-than-expected economic growth in the second quarter and lack of stimulus from a key political gathering. China cut their 1 year and 5 Year Loan prime rates. After a benign June inflation report last week, markets are wagering the Fed will lay the groundwork for a September rate cut at its policy meeting. Also due this week is the U.S. jobs report for July, closely watched surveys on U.S. and global manufacturing, along with Eurozone gross domestic product and inflation data. Aluminium found some support following the release of China's new emissions reduction plan, which may trigger smelter capacity cuts.

Energy

Oil prices remained positive in early morning session as geopolitical premium rose in Middle East tension after a missile strike on an Israel-occupied territory ramped up concerns over a greater conflict with Lebanese group Hezbollah. Israel's security cabinet authorized Prime Minister Benjamin Netanyahu's government to decide on the "manner and timing" of a response to the rocket strike in the Golan Heights that killed 12 teenagers and children. However, gains in oil were limited as the prospect of weaker demand and a potential supply glut in the coming months left crude markets nursing steep losses. Chinese markets continued to lag their regional peers, as sentiment towards the country showed little signs of improving ahead of more key economic readings this week. Markets were also largely risk-off in anticipation of a U.S. Federal Reserve meeting this week, where the central bank is widely expected to keep rates on hold. Focus will be on whether the Fed signals a September rate cut-expectations of which have grown steadily following soft inflation readings and encouraging comments from Fed officials. Focus also remains on OPEC JMMC due on Thursday where main attention for investors would be the compliance by members and the statement by minister regarding demand/ supply situation in global market.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	789	-1.3%
Aluminium	2100	-3.1%
Nickel	1328	-1.5%
Lead	194	0.1%
Zinc	255	-0.6%

Inventory		Current	W/W Chg.	Units
Copper	LME	237750	-1675	MT
	Shanghai	301203	-7979	MT
Aluminum	LME	943675	-3550	MT
	Shanghai	264158	-1664	MT
Nickel	LME	104388	174	MT
	Shanghai	16813	-251	MT
Lead	LME	247025	-3850	MT
	Shanghai	40770	260	MT
Zinc	LME	242350	-1625	MT
	Shanghai	113978	-6076	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	77.17	1.0%
Natural gas	2.06	-1.7%

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	239237	-24312
Natural Gas	-55719	2331

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	3023.5	66000	305	96	62	0.0%
0.0%	0	0	2725	66500	318	95	40	0.0%
1316.7%	85	220	1553.5	67000	442.5	1307	518	-29.2%
-94.4%	2	2	2597	67500	700	1	1	-98.4%
245.3%	594	3394	1056.5	68000	811.5	1799	507	1167.5%
-98.6%	7	10	1722	68500	1088	31	23	-50.0%
28.2%	1127	3955	673	69000	1321.5	605	721	472.2%
-99.1%	3	4	1078.5	69500	2613	0	0	-100.0%
181.5%	1920	2892	404.5	70000	1934	102	531	369.9%

MCX Crude Oil

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
78.7%	704	17045	334.1	6300	91.5	76350	2873	-28.0%
249.2%	227	4041	297.2	6350	105.4	29332	624	-49.3%
17.2%	2389	94882	258.9	6400	123	130725	4848	-32.0%
-0.2%	1776	28241	223.1	6450	141.9	46287	1746	-29.3%
59.0%	7609	182188	194.1	6500	166.5	184837	5852	-16.7%
107.6%	3043	66189	165.6	6550	192.8	48247	1157	-14.7%
68.3%	9387	151475	141	6600	222.1	77038	3268	5.7%
25.7%	2263	35643	118.1	6650	256.2	4895	82	-29.3%
34.0%	11167	95531	98.7	6700	290.2	14213	1876	-0.7%

MCX Natural Gas

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
0.0%	0	0	39.3	140	1.7	3913	1608	34.7%
14.9%	193	253	29	150	3.3	12202	2986	14.6%
160.0%	208	1925	21.85	160	6.15	15539	2117	-1.5%
487.5%	47	2251	18.8	165	8.1	8760	660	108.9%
113.8%	2046	19196	15.85	170	255	27530	3045	50.4%
314.0%	2360	18342	13.2	175	13	14148	1081	46.1%
29.7%	6178	29123	10.95	180	15.9	13286	3328	0.7%
1.4%	5289	13154	7.3	190	22.65	1645	1729	-6.5%
14.0%	5586	13353	4.85	200	30.4	416	1360	8.5%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Aug	6,161	6,092	6,126	6,165	6,199	6,238	Bearish	Moderate	6109 - 6182
Cocudakl	NCDEX	Aug	2,894	2,798	2,846	2,873	2,921	2,948	Bearish	Moderate	2860 - 2935
Cotton	NCDEX	July	56,730	56,497	56,613	56,717	56,833	56,937	Bearish	Low	56665 - 56885
Dhaniya	NCDEX	Aug	7,278	7,145	7,211	7,281	7,347	7,417	Bearish	Moderate	7246 - 7382
Jeera	NCDEX	July	26,485	26,015	26,250	26,605	26,840	27,195	Bearish	Moderate	26133 - 26723
Guar Seed	NCDEX	Aug	5,476	5,419	5,447	5,470	5,498	5,521	Bearish	Moderate	5459 - 5510
Guar Gum	NCDEX	Aug	10,728	10,579	10,654	10,724	10,799	10,869	Bearish	Moderate	10689 - 10834
Mentha Oil	MCX	July	968	952	959.93	969	977	986	Bullish	High	964 - 982
Turmeric	NCDEX	Aug	15,720	15,497	15,609	15,751	15,863	16,005	Bearish	Moderate	15553 - 15807

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Aug	68186	67390	67788	68064	68462	68738	Bearish	Moderate	67926 - 68600
Gold Comex	Comex	July	2381	2340	2361	2375	2396	2410	Bearish	Moderate	2368 - 2403
Silver	MCX	Sep	81371	80542	80957	81328	81743	82114	Bearish	Low	80750 - 81536
Silver Comex	Comex	Aug	27.86	27.46	27.66	27.81	28.01	28.16	Bearish	Moderate	28 - 28
Crude	MCX	July	6478	6294	6386	6486	6578	6678	Bearish	Moderate	6340 - 6532
Crude Nymex	Nymex	Sep	76.00	73.83	74.92	76.16	77.25	78.49	Bearish	Moderate	74 - 77
Nat Gas	MCX	July	170	165	168	170	173	176	Bearish	Moderate	166 - 172
BullDex	MCX	July	17283	17110	17197	17258	17345	17406	Bearish	High	17228 - 17376
Copper	MCX	July	788.60	782	785	790	793	797	Bearish	Low	784 - 791
Zinc	MCX	July	254.55	245	250	255	260	265	Bearish	Moderate	247 - 258
Lead	MCX	July	194	193	194	194	194	195	Bullish	High	193 - 194
Aluminum	MCX	July	210.35	209	210	210	211	212	Bearish	Low	210 - 211

Navneet Damani

Head Research- Currencies and Commodities

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhayay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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