



Wednesday, August 07, 2024

## Overview

- Gold came under pressure after renewed strength in dollar
- Oil hovers near 6-month low
- China trade surplus comes below estimates

## Precious Metals

Gold prices edged lower as the U.S. dollar and Treasury yields firmed, while bets of a September rate cut from the Federal Reserve and escalating geopolitical tensions in the Middle East kept bullion stable following last session's retreat. The dollar index, was up 0.2%, its first day trading higher against the Japanese currency this month, similarly benchmark U.S. 10-year yields also rose, after a sharp fall witnessed last week. As suggested by CME Fed watch-tool market participants see a 70% chance of 50-basis-point cut in September, according to CME Fed watch tool. Fed policymakers pushed back against the notion that weaker-than-expected July jobs data means the economy is in recessionary freefall, but also warned that rate cuts will be needed to avoid such an outcome. On the geopolitical front, the United States has communicated to Iran and Israel that conflict in the Middle East must not escalate. On other hand, Lebanon's armed group Hezbollah launched a series of drone and rocket attacks into northern Israel. SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, said its holdings rose 0.37% to 848.06 tonnes on Tuesday from 844.90. No major economic data points are scheduled from the US today. Gold price on domestic front could trade in a range of 68,200-69,200

Precious metals	Close (\$)	%Chg.
Gold	2384.2	-0.2%
Silver	27.06	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	188909	-9535
Silver	24930	-871
ETF	Close	%Chg.
GOLD ETF	1959.7	0.16
Silver ETF	25848	126.31
Others	Close	%Chg.
DXY	102.97	0.2%
US 10Y Yields	3.91	2.7%

## Base Metals

Copper prices fell, fueled by a wave of risk aversion amid mounting concerns about economic contraction in the United States and sluggish development in China. Prices also faced pressure in early trading session followed by renewed strength in the dollar as traders dialed back bets on an emergency cut from the Federal Reserve. Recent data has confirmed the decline in demand for industrial goods, with the NBS and Caixin manufacturing PMIs indicating contraction in July and the ISM PMI indicating softness in US manufacturers. The recovery in dollar posed pressure on most base metals, making it difficult for the post-recovery from the global sell-off across most asset classes seen this week. Also, reports that some Chinese smelters are pursuing new projects to comply with output mandates challenged earlier reports of a joint production cut to lift treatment charges, easing supply concerns and adding to the pressure.

## Energy

Oil prices traded lower in morning session after rising by about 1% in volatile trade in yesterday's session, bouncing off multi-month lows hit in the previous session, as investor attention turned to supply tightness and financial markets recovered from their recent slump. Prices also got pressure from a weak outlook on demand, amid growing expectations for a market surplus by 2025. API inventory report meanwhile showed a mixed picture amid a smaller than expected build in weekly domestic crude stocks, but an upside surprise in gasoline stocks. The build in product inventories comes as peak summer demand nears the end, with refiners usually slowing down for maintenance in fall. Focus remains on any new developments in the Israel-Hamas war, with Hamas set to retaliate against Israel over the killing of its leader last week. Fears of a broader conflict in the region offered some support to crude in recent sessions. No major economic data points scheduled from the US today. Natural gas settled down due to rising output and forecasts for less demand next week than previously expected. Additionally, U.S. National Hurricane Center reported a tropical disturbance over Cuba with a 90% chance of developing into cyclone that can impact Florida's Gulf Coast.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	783	-2.3%
Aluminium	2140	0.1%
Nickel	1376	0.2%
Lead	183	0.9%
Zinc	247	-1.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	252575	1225	MT
	Shanghai	295141	-6062	MT
Aluminum	LME	918050	-3575	MT
	Shanghai	274193	10035	MT
Nickel	LME	110106	0	MT
	Shanghai	16353	-120	MT
Lead	LME	221975	-4875	MT
	Shanghai	34535	-6235	MT
Zinc	LME	247825	18050	MT
	Shanghai	105420	-8558	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	73.19	0.5%
Natural gas	2.04	3.4%

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	211917	-27320
Natural Gas	-53537	2182

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
35.9%	87	64	2422.5	67000	355.5	3290	852	-2.0%
0.0%	2	0	2315.5	67500	528	3	4	0.0%
29.9%	417	618	1657	68000	706	4543	1038	9.3%
26.1%	29	54	1380	68500	919.5	592	129	5.7%
22.9%	1434	4213	1113	<b>69000</b>	1217.5	3734	1112	11.2%
17.9%	158	270	907	69500	1409	13	55	-6.8%
5.9%	3053	4946	735	70000	1912.5	429	1072	-0.5%
-1.9%	51	43	631.5	70500	2372	2	13	0.0%
20.2%	2035	3245	501	71000	2754	24	266	3.1%

## MCX Crude Oil

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
87.5%	15	50	297.8	5950	59.1	45642	1050	6.0%
-15.9%	1424	66200	250.8	6000	72.3	206350	7864	7.6%
9.4%	338	13007	218.6	6050	89.7	73113	2199	44.9%
-13.9%	4137	212750	188.7	6100	107.6	276970	6968	10.8%
50.0%	2701	102814	163.3	<b>6150</b>	129.5	98393	1198	23.1%
13.6%	10332	301709	138.8	6200	153.4	237435	7250	6.0%
3.9%	2387	64370	118.1	6250	178.3	24352	2073	0.2%
-0.9%	9407	178017	99.8	6300	207.5	58370	5766	-0.4%
-15.2%	3635	55028	83.3	6350	240.4	4424	1770	-6.7%

## MCX Natural Gas

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
16.7%	21	49	26.95	140	1.75	11288	4369	12.7%
-25.7%	401	3467	19.45	150	3.25	24987	5097	14.1%
-34.3%	1368	33434	13.1	160	6	54705	6112	9.4%
-36.4%	1371	39487	10.55	165	7.85	40948	3117	61.5%
-19.2%	5505	66019	8.25	<b>170</b>	255	41604	4126	10.0%
-13.5%	4092	26848	6.4	175	12.8	11010	1997	17.7%
-7.0%	11073	35342	4.8	180	15.9	7876	3504	19.5%
-7.8%	8145	25592	2.75	190	22.9	566	1119	-12.4%
-1.2%	10097	15149	1.65	200	31.9	82	1060	-1.4%

### Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Aug	6,163	6,106	6,135	6,180	6,209	6,254	Bearish	Moderate	6121 - 6195
Cocudakl	NCDEX	Aug	2,816	2,767	2,792	2,810	2,835	2,853	Bearish	Moderate	2780 - 2823
Cotton	NCDEX	Sept	56,500	56,040	56,270	56,460	56,690	56,880	Bearish	Moderate	56365 - 56785
Dhaniya	NCDEX	Aug	6,998	6,881	6,939	7,019	7,077	7,157	Bearish	Moderate	6910 - 7048
Jeera	NCDEX	Aug	26,370	26,000	26,185	26,445	26,630	26,890	Bearish	Moderate	26093 - 26538
Guar Seed	NCDEX	Aug	5,294	5,143	5,218	5,262	5,337	5,381	Bearish	Moderate	5240 - 5359
Guar Gum	NCDEX	Aug	10,447	9,920	10,183	10,334	10,597	10,748	Bearish	Moderate	10259 - 10673
Mentha Oil	MCX	Aug	1,002	991	996.53	1,002	1,007	1,012	Bullish	High	999 - 1010
Turmeric	NCDEX	Aug	15,856	15,509	15,683	15,985	16,159	16,461	Bearish	Moderate	15596 - 16072

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	68965	68279	68622	69046	69389	69813	Bearish	Moderate	68451 - 69218
Gold Comex	Comex	Aug	2389	2355	2372	2397	2414	2439	Bearish	Moderate	2364 - 2405
Silver	MCX	Sept	79623	77584	78604	79330	80350	81076	Bearish	Low	78094 - 79840
Silver Comex	Comex	Sept	27.22	26.23	26.72	27.20	27.69	28.17	Bearish	Moderate	26 - 27
Crude	MCX	Aug	6186	6007	6097	6167	6257	6327	Bearish	Moderate	6132 - 6292
Crude Nymex	Nymex	Sept	72.34	70.21	71.28	72.52	73.59	74.83	Bearish	Moderate	71 - 73
Nat Gas	MCX	Aug	170	157	163	167	174	178	Flat	Moderate	165 - 176
BullDex	MCX	Aug	17289	17033	17161	17283	17411	17533	Bearish	Moderate	17097 - 17347
Copper	MCX	Aug	782.50	764	773	779	788	793	Bearish	Moderate	776 - 790
Zinc	MCX	Aug	247.45	243	245	247	249	250	Bearish	Moderate	244 - 248
Lead	MCX	Aug	183	176	179	182	185	188	Bearish	Moderate	181 - 186
Aluminum	MCX	Aug	214.00	207	211	212	216	218	Flat	Moderate	211 - 217

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