



Thursday, August 29, 2024

## Overview

- Gold prices steadied amidst a rebound in the dollar
- Oil prices inch lower as inventories fell less than expected
- Base metals fell on dollar recovery
- Today US GDP and weekly jobless claims will be in focus.

## Precious Metals

Gold and silver prices dropped, hurt by a stronger U.S. dollar as investors focused on key inflation data from US for clues on the size of the Federal Reserve's potential interest-rate cut in September. After marking a more than 12-month low, Dollar index was up by 0.6% in yesterday's session hovering around 101 mark, weighing on commodities pack. Governor Powell's comments last week further boosted markets confidence regarding rate cut in the next meeting. In his comments he mentioned that, inflation is on its way to the target of 4% and labor is market is easing, which puts rate cut discussion on table. On data front, US consumer confidence and durables goods orders data was reported better than expectations supporting an up-move in Dollar index. Markets are pricing in about a 63.5% chance of a 25bps U.S. rate cut in September and a 36.5% chance of a 50bps cut. Elsewhere, China's net gold imports via Hong Kong rose 17% in July, marking the first increase since March. Market participants will keep an eye on US GDP and weekly jobless claims scheduled later today.

Precious metals	Close (\$)	%Chg.
Gold	2513.0	0.4%
Silver	29.35	0.8%
CFTC data	Speculative Longs	Change WoW
Gold	236749	17077
Silver	31998	7741
ETF	Close	%Chg.
GOLD ETF	1949.1	-4.41
Silver ETF	26048	-10.81
Others	Close	%Chg.
DXY	101.09	-0.1%
US 10Y Yields	3.84	0.2%

## Base Metals

Most base metals fell, impacted by a recovery in the dollar index from its 12-13 month lows it touched this week and triggered sell-offs from funds and producers in the metals space. US consumer sentiment and durable goods orders statistics were higher than expected, supporting an increase in the dollar index. The downturn in the dollar this week was caused by rate cut expectations on a rise, boosted by Gov. Powell's speech at the Jackson Hole wherein he reaffirmed markets that the time to cut has come. Along with this, demand concerns in China are also weighing on prices. Mining giant BHP has trimmed its forecast for Chinese demand this year and warned of a modest surplus, and now expects China's copper consumption to grow 1%-2% this year. Investors now look ahead to the latest initial jobless claims and US GDP report later today for more clarity on the rate path.

## Energy

Oil prices settled lower on fresh signs of waning summer crude demand after weekly U.S. crude supplies fell much less than expected. Inventories shrank 846,000 barrels last week, according to EIA. That was a smaller drop than the 3.4 million-barrel decline reported by API. The data suggest that the travel-heavy summer season is nearing end, which could see some, cooling in U.S. fuel demand. Gasoline inventories, however, fell by 2.2M barrels for the period, compared with expectations for a 1.6M barrel decline, while distillates stocks unexpectedly rose by 275,000 compared with expectations or a draw of 1.1M barrels. Refinery activity picked up slightly, rising to 93.3% of their capacity from 92.3% the prior week. Currently, Political risks in the Middle East and a threat to supply from Libya had supported recent gains. The North African country's output has fallen by almost half this week, and there is a risk of almost 1 million barrels a day coming off the global market. The outages in Libya is countered by a broadly bearish undertone — leading top Wall Street banks including Goldman Sachs Group Inc. and Morgan Stanley to shave their price forecasts for next year. For today, market participants await natural gas inventory data due in the evening.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	797	1.0%
Aluminium	2320	0.9%
Nickel	1438	1.2%
Lead	185	-0.4%
Zinc	269	0.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	314250	-2925	MT
	Shanghai	251062	-11144	MT
Aluminum	LME	860225	-7000	MT
	Shanghai	291398	4116	MT
Nickel	LME	117348	732	MT
	Shanghai	18293	248	MT
Lead	LME	183475	-1625	MT
	Shanghai	23679	-36938	MT
Zinc	LME	249625	-6175	MT
	Shanghai	85438	-2030	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	74.81	0.5%
Natural gas	2.13	1.3%

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	178609	-22131
Natural Gas	-40280	21133

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
-100.0%	0	0	2917	69500	341.5	4	3	-98.0%
-83.9%	67	39	2348.5	70000	393.5	2057	975	-33.3%
-100.0%	0	0	2179	70500	587.5	27	12	-98.3%
28.7%	489	1185	1669	71000	706.5	4837	973	-29.6%
-42.6%	85	212	1362.5	<b>71500</b>	943.5	287	53	-90.3%
-62.2%	1418	3199	1107.5	72000	1184.5	1114	437	203.5%
-99.3%	9	15	879	72500	1596	0	0	-100.0%
0.0%	1000	2076	703	73000	1798.5	82	124	226.3%
-96.4%	1	1	678.5	73500	2259	0	0	0.0%

## MCX Crude Oil

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
17.8%	53	96	355.2	6050	66.9	38724	2761	-0.3%
41.8%	956	15281	316.4	6100	82	138282	7403	0.5%
2.0%	1024	9151	279.6	6150	101.4	47999	2564	-6.2%
36.3%	2802	110219	248.6	6200	119.1	196683	8426	-1.1%
3.6%	1574	53723	217.7	<b>6250</b>	142.7	85512	1719	-8.5%
130.7%	8704	266998	191.7	6300	168.1	272208	5781	28.0%
110.2%	3044	75218	168.2	6350	196.3	51905	916	-26.3%
12.3%	10936	151751	144.5	6400	225.5	85863	5220	-4.8%
7.7%	3575	39718	125.9	6450	254.6	9447	554	-15.4%

## MCX Natural Gas

Call		Particulars				Put		
% Chg in OI	OI	Volume	Premium	Strike	Premium	Volume	OI	% Chg in OI
0.0%	0	0	44	130	0.7	2252	499	86.9%
0.0%	1	2	37.25	140	1.1	6869	1813	65.3%
0.0%	106	382	27.25	150	2.3	18697	3476	21.0%
100.0%	10	335	23.15	155	3.3	10311	986	134.2%
-33.0%	522	6971	19.65	<b>160</b>	255	27214	3228	0.6%
-33.1%	344	6355	16.5	165	5.9	15283	1385	17.2%
-27.1%	2323	32120	13.8	170	7.7	41666	3600	11.5%
-8.2%	8001	54203	9.15	180	12.35	27764	4710	2.1%
-17.0%	6055	31232	5.95	190	18.55	4105	2094	-15.9%

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sept	6,086	5,987	6,037	6,066	6,116	6,145	Bearish	Moderate	6052 - 6131
Cocudakl	NCDEX	Sept	3,534	3,455	3,494	3,521	3,560	3,587	Bearish	Moderate	3508 - 3574
Cotton	NCDEX	Sept	57,750	57,650	57,700	57,750	57,800	57,850	Bearish	Moderate	57725 - 57825
Dhaniya	NCDEX	Sept	6,966	6,815	6,891	6,957	7,033	7,099	Bearish	Moderate	6853 - 6995
Jeera	NCDEX	Sept	25,420	25,183	25,302	25,438	25,557	25,693	Bearish	Moderate	25370 - 25625
Guar Seed	NCDEX	Sept	5,342	5,175	5,258	5,314	5,397	5,453	Bearish	Moderate	5286 - 5425
Guar Gum	NCDEX	Sept	10,570	10,118	10,344	10,491	10,717	10,864	Bearish	Moderate	10418 - 10791
Mentha Oil	MCX	Sept	983	976	979.60	982	985	988	Bearish	Moderate	981 - 987
Turmeric	NCDEX	Oct	12,856	12,240	12,548	13,108	13,416	13,976	Bearish	Moderate	12394 - 13262

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71743	71216	71480	71777	72041	72338	Bearish	Moderate	71348 - 71909
Gold Comex	Comex	Sept	2518	2495	2506	2516	2527	2537	Bullish	Moderate	2511 - 2532
Silver	MCX	Sept	83977	82580	83279	84348	85047	86116	Bearish	Moderate	82930 - 84698
Silver Comex	Comex	Sept	29.20	28.44	28.82	29.46	29.84	30.48	Bearish	Moderate	29 - 30
Crude	MCX	Sept	6288	6135	6211	6290	6366	6445	Bearish	Moderate	6173 - 6328
Crude Nymex	Nymex	Oct	73.44	71.79	72.61	73.75	74.57	75.71	Bearish	Moderate	72 - 74
Nat Gas	MCX	Sept	179	167	173	177	182	186	Strong	Moderate	175 - 184
BullDex	MCX	Aug	17983	17846	17915	18018	18087	18190	Bearish	Moderate	17881 - 18053
Copper	MCX	Aug	807.05	800	803	810	814	820	Bearish	Moderate	802 - 812
Zinc	MCX	Aug	268.60	266	267	269	271	273	Bullish	Moderate	267 - 270
Lead	MCX	Aug	187	185	186	188	189	190	Bearish	Moderate	186 - 188
Aluminum	MCX	Aug	232.05	230	231	232	233	234	Bullish	Moderate	231 - 233

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