



Monday, September 02, 2024

## Overview

- China Manufacturing PMI beats estimates
- Gold rally halts as dollar recovers
- Today US Markets will remain shut on account on Labor Day.

## Precious Metals

Gold slipped 1% as the dollar and Treasury yields firmed after U.S. inflation data matched expectations, but the bullion is set for a monthly gain as a September interest rate cut by the Federal Reserve remains in play. US PCE price index rose 0.2% last month, in-line with expectations; while core PCE price index was reported 0.1% lower than estimates. Data confirms inflation is no longer the Fed's main concern, as they have shifted their focus to unemployment, which further validates the potential rate cuts in September. However, on other hand, a few other important economic data from US were reported better than expectations like GDP, durables goods orders, consumer spending. This supported an up-move in dollar index from a 13-month low it marked recently. Bets for rate cut for 25bps in September meeting is at ~70%, while the same for 50bps is at ~30%. Physical demand remained lacklustre is top Asian consumers as new import quotas failed to lift Chinese demand. US market remains shut on the back of labour day holiday, however a few important data points like US factory orders, jobs and PMI are scheduled later this week.

Precious metals	Close (\$)	%Chg.
Gold	2495.5	-0.3%
Silver	28.44	-1.4%
CFTC data	Speculative Longs	Change WoW
Gold	236818	69
Silver	35282	3284
ETF	Close	%Chg.
GOLD ETF	185474	-3435
Silver ETF	24904	-26
Others	Close	%Chg.
DXY	101.70	0.0%
US 10Y Yields	3.91	0.7%

## Base Metals

Rising stocks, sluggish Chinese demand, and a strong dollar continue to put pressure on copper prices. Copper inventories at LME-registered warehouses increased by 8,700 tons to 322,950 tons, reaching their highest level in roughly five years and doubling since mid-June. The majority of these recent inflows have been channeled into Asian LME warehouses, owing to high exports from China. To add to the pessimistic sentiment, mining giant BHP cut its projection for China's copper demand growth to 1-2% this year, citing an expected significant drop in house completions. To add to the bearish sentiment, mining giant BHP cut its projection for China's copper demand growth to 1-2% this year, citing an expected significant drop in house completions. While BHP remains cautious about copper's near-term prospects, it continues to believe that the metal will face acute shortages and significantly higher prices in the long run as a result of the global energy revolution. The global copper market also had a surplus, with the International Copper Study Group (ICSG) reporting a 95,000 metric ton excess in June, up from 63,000 metric tons in May.

## Energy

Oil prices remained under pressured by expectations for OPEC+ to boost output in October at time when questions over the strength of the demand outlook persist. Market participants ponders over OPEC's plan to raise output in the next quarter. Several delegates with the OPEC+ alliance said last week that they expect to proceed with the production hikes. OPEC will have no choice but to delay the phase out of voluntary production cuts if it wants higher prices. That outweighed reports of steep supply losses in Libya. The country's National Oil Corp said that production had been cut by 63% due to recent unrest. However, it has said it is working to reduce the disruption and expects an end to the crisis soon. A rebound in the dollar also weighed on oil prices as bets on larger September rate cut were cast aside after data showed that the Fed's preferred inflation measure slowed more than expected in July and consumer spending remained robust.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	801	1.0%
Aluminium	223	2.7%
Nickel	1425	-0.2%
Lead	186	0.5%
Zinc	266	2.0%

Inventory		Current	W/W Chg.	Units
Copper	LME	320925	-2025	MT
	Shanghai	241745	-9317	MT
Aluminium	LME	852150	-4575	MT
	Shanghai	289920	-1478	MT
Nickel	LME	118998	1464	MT
	Shanghai	18535	-42	MT
Lead	LME	181225	-1525	MT
	Shanghai	25851	2172	MT
Zinc	LME	244775	-1550	MT
	Shanghai	84566	-872	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	72.96	-0.9%
Natural gas	2.20	-0.5%

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	186527	7918
Natural Gas	-70707	-30427

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		
0.00%	0	0	2899	69500	337.5	0	3	0.00%	
19.35%	74	34	2325	70000	376.5	1369	1065	10.59%	
0.00%	0	0	2135.5	70500	505.5	48	39	105.26%	
51.85%	697	1032	1707.5	71000	702	4522	1153	-7.98%	
293.48%	181	430	1414	<b>71500</b>	939	967	126	34.04%	
41.80%	2385	5701	1119	72000	1200	2195	598	7.17%	
0.00%	33	52	901.5	72500	1400	1	1	0.00%	
-1.32%	1125	3395	686.5	73000	1800	212	181	40.31%	
0.00%	7	1	450	73500	2275.5	0	0	0.00%	

### MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
72.4%	22452	146184	107.3	6500	361.7	37619	2725	13.4%	
77.3%	6563	36000	89.5	6550	395.7	2311	108	61.2%	
56.7%	13513	100361	74.9	6600	440.2	5229	321	-4.2%	
44.0%	2390	23032	63.4	6650	405.3	10	31	-11.4%	
20.3%	10936	52763	51.7	<b>6700</b>	530.4	728	131	-22.5%	
45.3%	1649	10893	44.7	6750	575.8	12	7	-22.2%	
14.2%	6465	35563	35.6	6800	618.5	75	61	15.1%	
17.5%	733	7487	30.9	6850	655.9	0	0	0.0%	
33.2%	4684	19784	27.7	6900	688.1	22	19	26.7%	

## MCX Natural Gas

% Chg in OI	Call			Particulars		Put			% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-0.9%	105	57	31.4	150	1.9	10249	4210	15.2%	
-16.0%	494	1573	23.6	160	3.9	22999	3184	-16.8%	
-9.0%	1884	15408	16.5	170	7.05	36147	4533	8.1%	
-9.2%	1972	21742	13.6	175	9.2	33438	2604	-19.3%	
11.6%	9871	76753	11.1	180	255	60287	5778	7.1%	
1.6%	3950	31657	9.05	185	14.6	11816	1001	12.9%	
17.4%	7602	46147	7.25	190	17.9	8528	1886	2.1%	
8.6%	7473	24213	4.65	200	25.1	961	1057	-2.9%	
17.2%	3519	12937	2.8	210	33.8	41	138	-0.7%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sep	6,157	6,084	6,120	6,147	6,183	6,210	Bearish	Moderate	6134 - 6197
Cocudakl	NCDEX	Sep	3,520	3,411	3,466	3,530	3,585	3,649	Bearish	High	3439 - 3558
Cotton	NCDEX	Sep	58,000	58,000	58,000	58,000	58,000	58,000	Bearish	Moderate	58000 - 58000
Dhaniya	NCDEX	Sep	6,946	6,865	6,905	6,977	7,017	7,089	Bearish	Moderate	6885 - 6997
Jeera	NCDEX	Sep	25,710	25,250	25,480	25,640	25,870	26,030	Bearish	Moderate	25560 - 25950
Guar Seed	NCDEX	Sep	5,293	5,243	5,268	5,295	5,320	5,347	Bearish	Moderate	5282 - 5334
Guar Gum	NCDEX	Sep	10,451	10,328	10,389	10,467	10,528	10,606	Bearish	Moderate	10359 - 10498
Mentha Oil	MCX	Sep	944	936	939.97	946	951	957	Bearish	Moderate	938 - 949
Turmeric	NCDEX	Oct	13,426	12,650	13,038	13,388	13,776	14,126	Bearish	Low	13213 - 13951

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71611	71099	71355	71777	72033	72455	Bearish	Moderate	71227 - 71905
Gold Comex	Comex	Sep	2494	2479	2487	2506	2513	2533	Bearish	Moderate	2483 - 2510
Silver	MCX	Dec	85210	83687	84449	85763	86525	87839	Bearish	Moderate	84068 - 86144
Silver Comex	Comex	Oct	28.87	28.25	28.56	29.12	29.43	29.99	Bearish	Moderate	28 - 29
Crude	MCX	Sep	6203	6016	6110	6270	6364	6524	Bearish	Moderate	6063 - 6317
Crude Nymex	Nymex	Oct	72.65	70.62	71.64	73.47	74.49	76.32	Bearish	Moderate	71 - 74
Nat Gas	MCX	Sep	179	173	176	179	182	186	Strong	Moderate	175 - 181
BullDex	MCX	Sep	17900	17727	17814	17947	18034	18167	Bearish	Moderate	17771 - 17991
Copper	MCX	Sep	805.00	797	801	804	808	811	Strong	Low	803 - 809
Zinc	MCX	Sep	274.00	269	272	273	276	278	Bullish	Moderate	270 - 275
Lead	MCX	Sep	189	189	189	190	190	191	Flat	Moderate	189 - 190
Aluminum	MCX	Sep	234.55	235	235	235	235	235	Bullish	Moderate	235 - 235

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