



Wednesday, September 11, 2024

Overview

- Gold prices remained steady as markets await key US data
- OPEC+ revised down its demand forecast for this year and 2025
- Today inflation figures from the US will be in focus.

Precious Metals

Gold prices held firm above \$2500 level as market participants positioned themselves ahead of US inflation data for further clues on the depth of interest rate cuts by the Fed next week. Along with Crude, US 10Y Yield sinks to 52-week low in the yesterday's session. After series of mixed comments from fed officials last week and economic data points, market participants are on an edge regarding the interest rate cuts in the September meeting, however, sharp drop in US Yields gives some confidence that rate cut might be near. Markets are currently pricing in a 67% chance of a 25-basis-point U.S. rate cut at the Fed's Sept. 17-18 meeting, and a 33% chance of a 50-bps cut, the CME Fed-Watch tool showed. After mixed August jobs report, the probability of a half-point rate cut next week briefly exceeded 50%, but has since dropped to around 33%. Updates regarding first US Presidential debate between former President Trump and Vice President Kamala Harris could trigger some volatility in market. SPDR holdings rose 0.20% to 864.46 tonnes on Tuesday. Focus this week will be on US CPI, PPI and Michigan consumer sentiment data. Gold on domestic front is expected to trade within a range of ₹71500 – 72500.

Precious metals	Close (\$)	%Chg.
Gold	2519.5	0.1%
Silver	28.52	0.5%
CFTC data	Speculative Longs	Change WoW
Gold	226590	-10228
Silver	26501	-8781
ETF	Close	%Chg.
GOLD ETF	1962.0	5.32
Silver ETF	26079	-19.86
Others	Close	%Chg.
DXY	101.63	-0.2%
US 10Y Yields	3.63	-1.5%

Base Metals

After starting the week on a stronger note, copper prices edged lower in yesterday's session as focus returns to China's demand outlook. Recent trade data showed that China's appetite for copper decreased in August. China's monthly imports of unwrought copper fell 12% on year last month, the lowest monthly volume since April 2023, on weak demand from property and manufacturing sectors. China's trade surplus surged to USD 91.02 billion in August 2024 from USD 67.81 billion, surpassing market expectations of USD 83.90 billion as exports rose much faster than imports. Supporting prices slightly on the consumption side, downstream consumers turned cautious on stockpiling, primarily restocking as needed. However, with only three working days left before the Mid-Autumn Festival restocking period, consumption is expected to increase. US dollar index stabilized as the market awaits key inflation data which will be vital to gauge the further path of Fed rate cuts and developments in the US election. Today inflation figures from US will be in focus.

Energy

Crude oil prices collapsed amid renewed fears of weaker demand. Weak economic data in US and China in recent weeks has raised concerns that demand will cause oversupply in market. Trade data released showed China's appetite for the fuel is waning. Crude oil imports rebounded from July but remained weak on seasonal basis, down 7% y/y to 49.1MT. Unattractive margins continue to keep the utilisation rates low at smaller Chinese refiners. Domestic consumption was also impacted by rising use of electric vehicles. Speculative selling has magnified depth of selloff, with Brent crude now trading below USD70/bbl for first time in more than two years. This comes despite OPEC agreeing to delay its production hikes by two months. It also sees demand holding up but trimmed its forecast for demand growth this year to 2.03mb/d from 2.11mb/d in its last monthly market report. Its forecast for 2025 was steady at around 1.74mb/d. It raised its forecast for global economic growth from 2.9% to 3.0%, noting strong consumer spending. It also noted that its total crude output fell by 197kb/d in August to 26.59mb/d. However, Iraq and Kazakhstan continue to produce above their quotas in production agreement, which include compensation cuts from overproducing earlier in year.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	785	1.1%
Aluminium	220P	1.5%
Nickel	1354	-0.4%
Lead	181	-0.3%
Zinc	255	0.7%

Inventory		Current	W/W Chg.	Units
Copper	LME	316175	-275	MT
	Shanghai	215374	-26371	MT
Aluminium	LME	831350	-3500	MT
	Shanghai	285947	-3973	MT
Nickel	LME	122214	558	MT
	Shanghai	19336	-142	MT
Lead	LME	175275	-1725	MT
	Shanghai	30525	4674	MT
Zinc	LME	234450	-2100	MT
	Shanghai	84488	-78	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	66.34	0.0%
Natural gas	2.25	2.8%

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	124868	-61659
Natural Gas	-69956	751

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	
0.0%	0	0	2185.5	69500	122.5	3	9	12.5%
-11.4%	101	48	1821.5	70000	167	1688	1420	-4.1%
0.0%	1	0	1391	70500	280.5	144	126	0.8%
-13.9%	763	1252	1144	71000	407.5	3722	2115	7.7%
-6.7%	208	801	869	71500	632.5	1499	324	14.1%
-5.2%	2797	6663	666	72000	880	1341	710	0.0%
-3.7%	129	260	472	72500	1316	2	2	0.0%
3.7%	1388	2531	331.5	73000	1514.5	67	151	0.0%
25.0%	20	8	222	73500	1840.5	0	0	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
3172.7%	360	3513	487.3	5300	42.6	128339	3721	6.5%
0.0%	0	0	430.4	5350	55.1	14841	328	0.0%
337.4%	1592	22634	396.3	5400	68.5	177987	3765	13.0%
0.0%	105	1746	338.2	5450	86.6	63160	841	4.6%
543.1%	5505	92872	312.7	5500	106.1	322071	8120	-8.6%
2901.5%	1951	30473	273.5	5550	130.8	102066	1024	-0.5%
545.7%	11332	196459	236	5600	157.3	314918	5693	11.3%
359.9%	3040	67281	201	5650	186.2	99717	968	-60.7%
256.7%	18589	370768	170.6	5700	219.5	338493	6138	-22.9%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-11.2%	286	630	24.05	160	1.1	20618	6756	14.6%
-4.6%	692	6787	16.45	170	2.6	33532	7969	49.1%
-5.9%	6953	52727	10.2	180	5.3	72518	10267	39.8%
-41.9%	2964	59298	7.85	185	7.25	54896	4617	38.6%
-25.4%	7583	88248	5.9	190	255	50183	4956	18.9%
-24.9%	3988	36230	4.4	195	12.55	10147	667	75.5%
-27.3%	7633	55801	3.2	200	15.8	7998	1437	11.0%
-10.4%	4100	26246	1.7	210	23.3	103	207	-2.8%
-22.9%	3358	11327	0.85	220	32.65	16	495	-1.0%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sept	6,186	6,090	6,138	6,168	6,216	6,246	Bearish	Moderate	6153 - 6231
Cocudakl	NCDEX	Sept	3,014	2,947	2,980	3,005	3,038	3,063	Bearish	Moderate	2993 - 3051
Cotton	NCDEX	Sept	58,320	58,320	58,320	58,320	58,320	58,320	Bearish	Moderate	58320 - 58320
Dhaniya	NCDEX	Sept	6,850	6,738	6,794	6,846	6,902	6,954	Bearish	Moderate	6820 - 6928
Jeera	NCDEX	Sept	25,355	24,518	24,937	25,243	25,662	25,968	Bearish	Moderate	25090 - 25815
Guar Seed	NCDEX	Sept	5,340	5,301	5,320	5,342	5,361	5,383	Bearish	Moderate	5331 - 5372
Guar Gum	NCDEX	Sept	10,521	10,362	10,442	10,509	10,589	10,656	Bearish	Moderate	10476 - 10623
Mentha Oil	MCX	Sept	946	938	942.13	948	952	957	Bearish	Moderate	940 - 950
Turmeric	NCDEX	Oct	14,168	13,864	14,016	14,114	14,266	14,364	Flat	Moderate	14065 - 14315

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71913	71412	71662	71831	72081	72250	Bullish	High	71747 - 72166
Gold Comex	Comex	Sept	2502	2486	2494	2499	2507	2513	Bullish	High	2497 - 2510
Silver	MCX	Dec	83681	82456	83069	83672	84285	84888	Strong	Moderate	83371 - 84587
Silver Comex	Comex	Sept	28.35	27.86	28.10	28.36	28.61	28.87	Bearish	Moderate	28 - 28
Crude	MCX	Sept	5533	5322	5427	5607	5712	5892	Bearish	Moderate	5375 - 5660
Crude Nymex	Nymex	Oct	65.14	62.33	63.73	66.02	67.42	69.71	Bearish	Moderate	63 - 67
Nat Gas	MCX	Sept	189	175	182	186	193	197	Bullish	High	184 - 195
BullDex	MCX	Sept	17819	17720	17769	17830	17879	17940	Bearish	Moderate	17800 - 17910
Copper	MCX	Sept	784.95	775	780	787	793	800	Bearish	Moderate	777 - 790
Zinc	MCX	Sept	254.65	251	253	255	257	259	Bearish	Moderate	252 - 256
Lead	MCX	Sept	181	180	181	181	182	182	Bearish	Moderate	180 - 181
Aluminum	MCX	Sept	219.55	217	218	220	221	223	Bearish	Moderate	218 - 221

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