



Tuesday, September 03, 2024

## Overview

- Gold prices cool as dollar recovers
- Oil prices inched higher amidst supply woes
- Today Manufacturing PMIs from the US will be important.

## Precious Metals

Gold prices drifted lower, while investors awaited a slew of U.S. economic data to gauge the size of the Federal Reserve's expected interest rate cut this month. The dollar lingered near a two-week high, it marked after recovering from a 13-month low, last week. US markets were shut in the yesterday's session, however some volatility was seen amidst last week's data points and geo-political tensions. On data front, The US economy grew last quarter at a healthy 3% annual pace, against expectations of 2.8% fuelled by strong consumer spending and business investment. Consumer spending, which accounts for about 70% of US economic activity, rose at a 2.9% annual rate last quarter, up from 2.3%. Traders currently see a 31% chance of a 50-basis-point rate cut at the Fed's Sept. 17-18 policy meet and a 69% chance of a quarter-point cut. There were some updates regarding cease-fire talks from Hamas weighing on overall sentiment. Geo-political tensions also continue to increase and support safe haven buying. Focus today will be on US Manufacturing PMI. Market participants will also keep an eye on US factory orders and Jobs data scheduled later this week.

Precious metals	Close (\$)	%Chg.
Gold	2494.5	-0.2%
Silver	28.52	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	236818	69
Silver	35282	3284
ETF	Close	%Chg.
GOLD ETF	1958.8	5.46
Silver ETF	26088	0.00
Others	Close	%Chg.
DXY	101.65	0.0%
US 10Y Yields	3.92	1.1%

## Base Metals

Base metals traded lower after data showed factory activity in top consumer China slowed further in August, and a stronger dollar weighed on metal prices. China's manufacturing data sank to a six-month low last month, with owners struggling for orders, an official manufacturing survey. Dollar Index recovered from recent lows after GDP in the US grew at an annual rate of 3.0% in the second quarter of 2024, up from 2.8% in the initial estimate. Also, Core PCE price index rose by 0.2% from the previous month in July of 2024, in line with market expectations and consistent with the 0.2% increase in June. Investors dialed back bets of larger rate cuts by Fed this month, which prompted the dollar to bounce back from recent lows. This week could be volatile for prices given a slew of U.S. data releases, including manufacturing PMI data and weekly jobless claims, which investors will use as cues on the health of the economy.

## Energy

Crude oil gained as supply disruptions in Libya worsen. The North African country declared force majeure at the El-Feel field, a key oil field that produces around 70kb/d. This comes just days after authorities in the east announced a complete halt of all output and exports. Libya was producing about 1mb/d prior to the latest turmoil, with the vast majority coming from the east of the country. Daily output is estimated to have fallen to about 450kb/d. This offsets concerns that OPEC is planning to proceed with its production hikes. Several delegates within the OPEC+ alliance said last week that they expect to proceed as planned in adding 180kb/d in supplies within weeks. However, the alliance has said that it could pause or reverse the planned output hikes if necessary. Sustained outages at Libya could be a reason to add more barrels without weakening the fundamentals. Demand was also in focus following weaker economic data in China. 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	2230	2.7%
Nickel	1431	0.5%
Lead	185	0.3%
Zinc	265	2.0%

Inventory		Current	W/W Chg.	Units
Copper	LME	320650	-275	MT
	Shanghai	241745	-9317	MT
Aluminum	LME	847425	-4725	MT
	Shanghai	289920	-1478	MT
Nickel	LME	119316	318	MT
	Shanghai	18215	-320	MT
Lead	LME	179375	-1850	MT
	Shanghai	25851	2172	MT
Zinc	LME	243225	-1550	MT
	Shanghai	84566	-872	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	74.06	-0.2%
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		
0.0%	0	0	2472	69500	273	0	3	0.0%	
4.1%	77	17	2052.5	70000	361	904	1104	3.7%	
0.0%	0	0	1758	70500	504.5	40	45	15.4%	
-2.7%	678	462	1378.5	71000	685.5	2829	1304	13.1%	
-11.0%	161	204	1128	<b>71500</b>	921.5	299	115	-8.7%	
6.8%	2547	2429	877	72000	1174.5	450	535	-10.5%	
75.8%	58	57	678.5	72500	1616	1	1	0.0%	
5.6%	1188	1359	506	73000	1834	59	150	-17.1%	
57.1%	11	17	380	73500	2216.5	0	0	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-5.8%	1096	14813	284.7	6000	70.9	103528	6667	22.1%	
33.3%	212	5173	249.7	6050	84.7	32593	2796	2.0%	
25.9%	2847	70324	220.6	6100	103.6	122360	7933	19.5%	
26.5%	1412	58500	191.1	6150	123	68724	2567	7.0%	
33.3%	10909	218516	166.5	<b>6200</b>	145.5	192206	10135	15.5%	
10.4%	4050	50476	143.6	6250	169.2	31200	3277	0.3%	
3.2%	13466	114857	124.3	6300	197.9	48915	4663	-4.3%	
4.7%	5266	34601	108	6350	228.6	5879	843	-25.3%	
-3.4%	20620	105920	91.3	6400	261.6	15603	5141	-20.2%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
13.3%	119	122	30.75	150	1.2	4935	4430	5.2%	
-14.8%	421	620	22.85	160	2.45	15199	5514	73.2%	
-35.6%	1214	5246	16.05	170	4.85	18129	4843	6.8%	
-17.7%	1622	6908	13.2	175	6.5	13188	3518	35.1%	
-21.2%	7777	37873	10.65	<b>180</b>	255	34763	6544	13.3%	
1.0%	3989	27253	8.65	185	11.1	15510	1869	86.7%	
-22.1%	5920	28962	6.9	190	14	10010	2184	15.8%	
-12.7%	6527	17220	4.25	200	20.55	1161	1026	-2.9%	
-6.8%	3281	11083	2.55	210	28.65	28	136	-1.4%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sept	6,117	6,056	6,087	6,133	6,164	6,210	Bearish	Moderate	6072 - 6149
Cocudakl	NCDEX	Sept	3,686	3,410	3,548	3,639	3,777	3,868	Bearish	Moderate	3594 - 3823
Cotton	NCDEX	Sept	58,860	58,613	58,737	58,823	58,947	59,033	Bearish	Moderate	58780 - 58990
Dhaniya	NCDEX	Sept	6,966	6,910	6,938	6,958	6,986	7,006	Bearish	Moderate	6948 - 6996
Jeera	NCDEX	Sept	26,260	25,717	25,988	26,212	26,483	26,707	Bearish	Moderate	26100 - 26595
Guar Seed	NCDEX	Sept	5,333	5,266	5,300	5,323	5,357	5,380	Bearish	Moderate	5312 - 5369
Guar Gum	NCDEX	Sept	10,501	10,322	10,412	10,490	10,580	10,658	Bearish	Moderate	10451 - 10619
Mentha Oil	MCX	Sept	978	972	975.20	979	982	985	Bullish	High	974 - 980
Turmeric	NCDEX	Oct	13,630	13,243	13,437	13,693	13,887	14,143	Flat	Moderate	13340 - 13790

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71601	71235	71418	71609	71792	71983	Bearish	Moderate	71514 - 71888
Gold Comex	Comex	Sept	2526	2497	2511	2518	2533	2540	Bullish	Moderate	2515 - 2536
Silver	MCX	Dec	84554	83645	84099	84505	84959	85365	Bearish	Moderate	83872 - 84732
Silver Comex	Comex	Sept	29.69	29.07	29.38	29.58	29.89	30.09	Bullish	Moderate	29 - 30
Crude	MCX	Sept	6222	6081	6151	6203	6273	6325	Bearish	Moderate	6177 - 6299
Crude Nymex	Nymex	Oct	74.67	71.78	73.22	74.37	75.81	76.96	Bearish	Moderate	74 - 76
Nat Gas	MCX	Sept	185	179	182	184	186	188	Strong	Moderate	183 - 187
BullDex	MCX	Sept	17869	17794	17831	17854	17891	17914	Bearish	Moderate	17843 - 17903
Copper	MCX	Sept	801.40	795	798	802	805	808	Bearish	Moderate	796 - 803
Zinc	MCX	Sept	264.80	262	263	265	267	269	Bearish	Moderate	263 - 266
Lead	MCX	Sept	185	184	185	186	186	187	Flat	Moderate	185 - 186
Aluminum	MCX	Sept	222.75	221	222	223	224	225	Bearish	Moderate	222 - 223

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