



Thursday, September 05, 2024

Overview

- JOLTS report unexpectedly fell to an over three-year low in July
- Gold prices steady as US jobs data approaches
- Oil hovered near 9-month low
- Today ADP non-farm and energy inventories will be in focus.

Precious Metals

Gold prices traded steady hovering around \$2500, as dollar index held firm and after falling U.S. job openings which increased possibility of a rate cut from the U.S. Federal Reserve at its policy meeting this month. Data showed U.S. job openings in July fell to the lowest level in three and a half years, suggesting that labor market is losing steam. Dollar index was trading firm above the 101 mark, after reversing from 13-month low, while US 10Y Yield continue to hover around ~3.8%. Post the JOLTS data, market participants raised the odds of a 50bps Fed rate cut on Sept. 18 to 45% from 38%, according to the CME Fed-Watch Tool. San Francisco Fed President Mary Daly said that rate cuts were needed to keep the labour market healthy, while Atlanta Fed President Raphael Bostic noted that keeping rates too high much longer risked causing too much harm to employment. The ADP employment report, a reading on the U.S. services industry, and jobless claims data due later in the day are also on radar. Focus also will be on non-farm payroll data scheduled tomorrow for cues on Fed's rate cut path. Gold on domestic front is expected to trade in a broad range of ₹71,000 - 72000

Precious metals	Close (\$)	%Chg.
Gold	2498.5	0.2%
Silver	28.40	0.4%
CFTC data	Speculative Longs	Change WoW
Gold	236818	69
Silver	35282	3284
ETF	Close	%Chg.
GOLD ETF	1963.3	6.82
Silver ETF	26100	-6.01
Others	Close	%Chg.
DXY	101.36	-0.1%
US 10Y Yields	3.77	-2.0%

Base Metals

Copper prices steadied, gaining some support of buying by industrial users after reaching a three-week low, but the slight gains were capped by worries about the potential of weaker global economic growth lowering demand for industrial metals. Concerns about China's economy were heightened as data indicated that growth in its services sector activity slowed in August, following recent negative numbers from the manufacturing and property sectors. BHP Group, a major copper miner, has reduced its prediction for China's copper demand growth to 1-2% this year, citing an expected steep drop in house completions. The JOLTS report showed that job openings unexpectedly fell to an over three-year low in July, further fueling market concerns about a softening labor market, which pressured the dollar slightly in previous trading session. Today, labor market data will be vital to gauge Fed's stance in the upcoming meeting.

Energy

Oil prices settled lower despite hopes that a group of major producers will continue limiting supply to offset demand growth concerns. Currently, Saudi Arabia and Russia, part of the OPEC+ alliance, intended to add 180,000 barrels a day next month as they gradually restart output that was stopped in 2022 in a bid to shore up prices. The cartel has repeatedly said it could "pause or reverse" the hike if necessary. Demand concerns, however, continued to dominate sentiment amid downbeat economic data from China and the US, stirring fears about oil demand in the top two consumers, adding to concerns that a surplus will emerge next year. Another bearish factor is the potential resolution to the power struggle in Libya that curtailed supply from the OPEC member state last week. Libya's central bank chief reported a deal to end the dispute appears imminent. Market participants ignored the API data, which showed that U.S. crude inventories decreased by about 7.4M barrels compared with a decline of 3.4M barrels reported by the API the previous week. Gasoline stockpiles fell by about 300,000 barrels. Focus also will be on non-farm payroll data scheduled tomorrow for cues on Fed's rate cut path. Along with this, market participants await inventory due today for natural gas as well as crude oil.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	783	-2.0%
Aluminium	220 ^P	0.0%
Nickel	1400	-0.7%
Lead	183	-0.6%
Zinc	262	0.2%

Inventory		Current	W/W Chg.	Units
Copper	LME	318650	850	MT
	Shanghai	241745	-9317	MT
Aluminum	LME	840425	-3500	MT
	Shanghai	289920	-1478	MT
Nickel	LME	121230	1938	MT
	Shanghai	18407	-58	MT
Lead	LME	177500	-375	MT
	Shanghai	25851	2172	MT
Zinc	LME	239750	-1575	MT
	Shanghai	84566	-872	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	69.55	0.4%
Natural gas	2.15	-2.7%

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	2165.5	69500	262	12	6	50.0%	
22.7%	119	208	1790	70000	368	2515	1345	2.5%	
0.0%	1	1	1364	70500	548	281	73	58.7%	
-4.3%	873	3804	1173	71000	709.5	5591	1655	6.8%	
29.1%	302	1494	940.5	71500	971	282	128	20.8%	
-2.4%	2705	4807	725.5	72000	1238	581	518	-8.6%	
3.8%	83	134	584.5	72500	1525.5	0	1	0.0%	
1.5%	1325	1943	408.5	73000	1893.5	36	140	-3.4%	
0.0%	8	0	282	73500	2275.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	268	3365	374.7	5600	66.3	132430	3765	163.7%	
0.0%	16	16	350.9	5650	78.4	50271	803	155.7%	
57400.0%	575	9061	299.7	5700	93.9	177651	3760	30.4%	
0.0%	123	3494	264.3	5750	112.5	66514	898	106.0%	
4903.0%	3302	78357	233.9	5800	132.7	267436	5466	60.0%	
55300.0%	1108	31233	203.5	5850	156.7	108799	1821	173.4%	
0.0%	10259	221141	176.7	5900	183.1	354116	11073	101.7%	
8251.7%	2422	58682	151.4	5950	209.4	73869	1327	54.3%	
1686.4%	19579	224590	129.5	6000	241.8	182642	8502	27.5%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-12.5%	7	4	32.35	155	1.85	4362	1127	10.4%	
-39.7%	91	603	23.25	165	3.95	12768	1675	1.3%	
4.0%	1703	10763	16.05	175	7.5	35471	2949	-22.5%	
1.5%	8347	54283	13	180	9.8	78361	6888	5.5%	
64.1%	5684	68719	10.5	185	255	52616	1825	18.8%	
71.8%	9744	80727	8.4	190	15.85	39628	2573	16.5%	
76.8%	2663	32686	6.6	195	19.4	8159	300	132.6%	
18.4%	1360	17423	4	205	27.15	197	32	220.0%	
21.5%	847	9260	2.4	215	34.5	0	0	0.0%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sept	6,120	6,073	6,096	6,118	6,141	6,163	Bearish	Moderate	6098 - 6143
Cocudakl	NCDEX	Sept	3,593	3,528	3,561	3,599	3,632	3,670	Bearish	High	3545 - 3616
Cotton	NCDEX	Sept	59,000	58,000	58,500	59,000	59,500	60,000	Bearish	High	58750 - 59750
Dhaniya	NCDEX	Sept	6,802	6,690	6,746	6,826	6,882	6,962	Bearish	Moderate	6718 - 6854
Jeera	NCDEX	Sept	25,455	24,802	25,128	25,597	25,923	26,392	Bearish	Moderate	24965 - 25760
Guar Seed	NCDEX	Sept	5,318	5,241	5,280	5,311	5,350	5,381	Bearish	Moderate	5296 - 5366
Guar Gum	NCDEX	Sept	10,463	10,249	10,356	10,448	10,555	10,647	Bearish	Moderate	10402 - 10601
Mentha Oil	MCX	Sept	969	964	966.80	971	973	977	Bearish	Moderate	966 - 972
Turmeric	NCDEX	Oct	13,694	12,918	13,306	13,588	13,976	14,258	Flat	Moderate	13447 - 14117

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71466	70643	71054	71325	71736	72007	Bearish	Moderate	71190 - 71872
Gold Comex	Comex	Sept	2493	2482	2488	2489	2495	2497	Bearish	Moderate	2488 - 2496
Silver	MCX	Dec	83565	81951	82758	83396	84203	84841	Bearish	Moderate	83077 - 84522
Silver Comex	Comex	Sept	28.28	27.65	27.97	28.19	28.51	28.73	Bearish	Moderate	28 - 29
Crude	MCX	Sept	5851	5700	5776	5897	5973	6094	Bearish	Moderate	5738 - 5935
Crude Nymex	Nymex	Oct	68.52	66.65	67.58	69.10	70.03	71.55	Bearish	Moderate	67 - 70
Nat Gas	MCX	Sept	181	173	177	184	188	195	Bearish	Moderate	175 - 186
BullDex	MCX	Sept	17802	17603	17703	17765	17865	17927	Bearish	Moderate	17653 - 17815
Copper	MCX	Sept	783.40	773	778	784	789	795	Bearish	Moderate	775 - 786
Zinc	MCX	Sept	261.50	257	259	262	265	268	Bearish	Moderate	258 - 264
Lead	MCX	Sept	183	182	183	184	184	185	Bearish	Moderate	183 - 185
Aluminum	MCX	Sept	220.45	217	219	221	223	225	Bearish	Moderate	218 - 222

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