



Friday, September 06, 2024

Overview

- US Private firms added 99K jobs in Aug, fewest since 2021
- Oil set for sharp weekly losses
- Natural gas rose to two-month high amidst supply pressure
- Today US labor market data will be important.

Precious Metals

Gold prices rose to near one-week highs, on the back of a weaker U.S. dollar and lower yields after signs of labour market losing steam increased market participant's belief regarding interest cut from Federal Reserve this month. U.S. private employers hired the fewest number of workers in 3-1/2-years in August, potentially hinting at a sharp labour market slowdown. This follows data on Wednesday showing a sharp decline in U.S. job openings in July. The initial claims data also didn't paint much of a rosy picture for the employment. Dollar index fell towards 101, while US 10Y Yield is marked below 3.8%, supporting bullions. The Fed needs to cut interest rates to keep the labour market healthy, but it is now down to incoming economic data to determine by how much, San Francisco Fed President Mary Daly said. Data from CME Fed watch tool suggests that, market participants currently see a 59% chance of a 25 bps reduction by the U.S central bank this month and a 41% chance of a 50-bps cut. After lower jobs data this entire week focus now turns to all important US Non-farm payroll and unemployment rate data scheduled later today.

Precious metals	Close (\$)	%Chg.
Gold	2517.0	0.0%
Silver	28.82	0.0%
CFTC data	Speculative Longs	Change WoW
Gold	236818	69
Silver	35282	3284
ETF	Close	%Chg.
GOLD ETF	1959.2	-4.10
Silver ETF	26100	0.00
Others	Close	%Chg.
DXY	101.11	-0.1%
US 10Y Yields	3.73	-0.9%

Base Metals

Copper prices slightly eased in yesterday's session, but still traded lower along with other base metals set for weekly losses. Gains are capped by global economic concerns, which are dampening demand for industrial metals. China's manufacturing figures fell to a six-month low, indicating weak demand, notably in the housing industry, which has seen a dramatic decline in completions this year. Furthermore, copper inventories in LME-registered warehouses rose to 317175, the most in five years and more than double the levels observed in mid-June, owing primarily to strong exports from China. BHP Group, a major copper producer, reduced its prediction for China's copper growth to 1-2% in 2024, while still projecting a slight global surplus through 2025. Latest data showed that US private companies added the fewest jobs since January 2021, although weekly jobless claims fell more than expected. Previous data also showed that job openings unexpectedly fell to an over three-year low in July and manufacturing activity contracted more than anticipated in August.

Energy

Natural gas prices rallied as the market focus shifted to the idea of autumn in northeastern part of U.S. Prices also received support from EIA inventory data showing a rise of +13 bcf, weaker than the expected +27 bcf and well below the five-year average for this time of year of +51 bcf. Prices were further supported by news from forecast by Atmospheric G2, which reported that outlook has shifted warmer for much of eastern and central US for Sep 10-14, boosting natural gas demand from electricity providers to power air conditioning. For oil, prices held steady near their lowest levels in more than year as risk-off sentiment in broader markets undermined an OPEC+ agreement to pause its planned crude production increase for two months. On the EIA inventory front, U.S. crude oil stocks fell by 6.9M barrels, sharper decline than 600,000-barrel decrease expected, driven by declining imports. Gasoline stocks, however, rose more than expected as U.S. summer driving season, a period of strong demand, moved into the rearview mirror. The end of summer driving season typically also signals a period of weaker refining activity ahead of maintenance season, which usually kicks off around mid-September. Today, the focus will be on U.S. non-farm payroll and unemployment data due in the evening.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	792	-0.2%
Aluminium	2209	-1.0%
Nickel	1387	-0.9%
Lead	182	-0.7%
Zinc	257	-1.5%

Inventory		Current	W/W Chg.	Units
Copper	LME	317175	-1475	MT
	Shanghai	241745	-9317	MT
Aluminum	LME	836925	-3500	MT
	Shanghai	289920	-1478	MT
Nickel	LME	121758	528	MT
	Shanghai	18347	-60	MT
Lead	LME	177350	-150	MT
	Shanghai	25851	2172	MT
Zinc	LME	239275	-475	MT
	Shanghai	84566	-872	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	69.22	-0.3%
Natural gas	2.26	4.8%

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	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	2182	69500	180.5	26	14	133.3%	
-14.3%	102	90	1857	70000	254.5	2192	1389	3.3%	
0.0%	1	0	1300	70500	376	98	73	0.0%	
-25.0%	655	2504	1184.5	71000	531.5	5123	1823	10.2%	
-43.4%	171	1326	952	71500	746	1230	194	51.6%	
-7.0%	2517	7633	734	72000	986.5	2078	707	36.5%	
-21.7%	65	409	560.5	72500	1241.5	0	1	0.0%	
-8.5%	1213	3825	404.5	73000	1682.5	74	139	-0.7%	
25.0%	10	3	236.5	73500	1941	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
95.1%	523	7021	326.7	5600	69.5	83769	3964	5.3%	
75.0%	28	179	306.5	5650	83.1	40567	861	7.2%	
171.7%	1562	19581	254.2	5700	100.7	151317	4138	10.1%	
189.4%	356	8437	222.2	5750	120.3	62304	967	7.7%	
128.4%	7543	134138	192.3	5800	142.6	244650	6902	26.3%	
109.4%	2320	68342	166.7	5850	167.8	113992	1600	-12.1%	
44.6%	14830	248979	141.2	5900	196.4	282379	10878	-1.8%	
24.6%	3017	48350	120.2	5950	225.2	39801	1275	-3.9%	
21.3%	23756	178716	102	6000	258.5	90801	7880	-7.3%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-24.2%	300	895	23.25	160	1.5	23723	7191	26.3%	
-42.7%	601	9237	16.1	170	3.1	42650	6774	33.9%	
-21.3%	6570	60375	10.4	180	5.75	69133	10493	52.3%	
-43.2%	3229	52913	8.3	185	7.75	46595	5101	179.5%	
-40.4%	5810	75450	6.45	190	255	43061	5304	106.1%	
-19.0%	2158	33631	5.05	195	12.65	11232	665	121.7%	
-28.3%	5377	48780	3.95	200	15.65	8068	1277	15.1%	
-13.8%	4038	25635	2.4	210	22.5	188	195	28.3%	
0.1%	2753	12216	1.45	220	30.7	41	494	-3.5%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Sept	6,108	6,057	6,082	6,121	6,146	6,185	Bearish	Moderate	6070 - 6134
Cocudakl	NCDEX	Sept	3,493	3,360	3,426	3,524	3,590	3,688	Bearish	Moderate	3393 - 3557
Cotton	NCDEX	Sept	59,160	59,080	59,120	59,160	59,200	59,240	Bearish	Moderate	59100 - 59180
Dhaniya	NCDEX	Sept	6,828	6,741	6,785	6,819	6,863	6,897	Bearish	Moderate	6802 - 6880
Jeera	NCDEX	Sept	25,620	25,153	25,387	25,633	25,867	26,113	Bearish	Moderate	25510 - 25990
Guar Seed	NCDEX	Sept	5,344	5,297	5,321	5,335	5,359	5,373	Bearish	Moderate	5328 - 5366
Guar Gum	NCDEX	Sept	10,509	10,370	10,440	10,494	10,564	10,618	Bearish	Moderate	10467 - 10591
Mentha Oil	MCX	Sept	957	940	948.13	961	969	981	Bearish	Moderate	944 - 965
Turmeric	NCDEX	Oct	14,204	13,423	13,813	14,063	14,453	14,703	Flat	Moderate	13938 - 14578

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71917	71100	71509	71814	72223	72528	Bullish	High	71662 - 72376
Gold Comex	Comex	Sept	2511	2486	2499	2506	2519	2526	Bullish	High	2502 - 2522
Silver	MCX	Dec	83524	82128	82826	83288	83986	84448	Strong	Moderate	83057 - 84217
Silver Comex	Comex	Sept	28.82	27.87	28.35	28.78	29.25	29.68	Flat	Moderate	29 - 29
Crude	MCX	Sept	5810	5695	5753	5857	5915	6019	Bearish	Moderate	5724 - 5886
Crude Nymex	Nymex	Oct	68.50	67.00	67.75	68.88	69.63	70.76	Bearish	Moderate	67 - 69
Nat Gas	MCX	Sept	191	173	182	187	196	201	Bullish	High	185 - 199
BullDex	MCX	Sept	17941	17752	17846	17918	18012	18084	Strong	Moderate	17882 - 18048
Copper	MCX	Sept	792.20	770	781	789	800	807	Bearish	Moderate	785 - 804
Zinc	MCX	Sept	256.95	253	255	257	260	262	Bearish	Moderate	254 - 259
Lead	MCX	Sept	182	181	181	182	183	184	Bearish	Moderate	181 - 183
Aluminum	MCX	Sept	220.10	216	218	220	222	224	Bearish	Moderate	219 - 223

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