



Thursday, September 12, 2024

## Overview

- Oil prices rise with Hurricane Francine impact, demand jitters in focus
- Copper output at Chile's Codelco slips nearly 11% in July
- Today PPI figures from the US will be in focus.

## Precious Metals

Gold prices fell as the Dollar and Treasury yields firmed as mixed U.S. inflation data raised questions about a 50 bps rate cut in the next week's Fed meeting. US consumer prices rose slightly in August, but underlying inflation showed some stickiness, which could dissuade the Fed from delivering a half-point interest rate cut next week. US inflation fell to 2.5% in August, compared with July's 2.9% pace, and marginally below estimates of 2.6%; data showed that the U.S. consumer prices gained 0.2% last month, matching the advance in July. Core CPI which exclude volatile food and energy prices held steady at 3.2% increasing some concerns. Markets are currently pricing in an 87% chance of a 25-basis-point U.S. rate cut, compared to 71% before the data, the CME Fed-Watch tool showed. On the geopolitical front, U.N. Palestinian refugee agency UNRWA said six staffers were killed after two airstrikes hit a school in central Gaza, marking what it said was the highest death toll among its staff in a single incident. SPDR holdings rose 0.20% to 866.18 tonnes. Traders' attention will now turn towards the U.S. Producer Price Index reading and initial jobless claims data. Gold on domestic front is expected to trade within a range of ₹71500 – 72500.

Precious metals	Close (\$)	%Chg.
Gold	2513.8	0.1%
Silver	28.69	0.0%
CFTC data	Speculative Longs	Change WoW
Gold	226590	-10228
Silver	26501	-8781
ETF	Close	%Chg.
GOLD ETF	1962.2	0.00
Silver ETF	26148	65.27
Others	Close	%Chg.
DXY	101.68	0.1%
US 10Y Yields	3.67	0.2%

## Base Metals

Copper led the base metals sector higher amid signs of a pickup in Chinese demand. After rising strongly in July, inventories at Shanghai Exchange warehouses have started to fall. Premiums for refined metal in China have also started to rise. Aluminium prices gained as increasing raw material costs raised the prospect of weaker refined metal output. Prices for alumina have spiked 50% this year to their highest level since March 2022. Meanwhile, aluminium prices are little changed year to date. Smelters without their own alumina supply are facing challenging financial conditions. The risk of trade disruptions also rose after President Putin reportedly asked the government to consider limiting exports of some commodities like nickel and titanium in retaliation for Western sanctions.

## Energy

Oil prices rallied in yesterday's session, climbing the most in two weeks as Hurricane Francine ripped through key oil-producing zones in the US Gulf of Mexico, prompting traders to cover bearish bets. The storm prompted oil companies to shut in roughly 25% of Gulf crude output. Exxon Mobil Corp., Shell Plc and other offshore driller's evacuated crews and suspended operations on platforms threatened by the hurricane is lashing waves and high winds. The region accounts for about 15% of U.S. oil production, with any disruptions in production likely to tighten supplies in the near-term. Meanwhile, Data from EIA reported U.S. oil inventories increased 833,000 barrels against expectations for increase of 900,000. Gasoline inventories, meanwhile, increased by 2.3M barrels confounding expectations for a draw of 400,000 barrels. While distillate stocks increased by 2.3M, well above the 300,000 barrel build expected. Focus today is on monthly report from IEA, for any more cues on weaker demand outlook. The report comes just days after OPEC cut its forecast for oil demand growth in 2024 and 2025, citing weaker trends in top oil importer China. Market participants will also keep an eye on natural gas inventory data due in evening.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	792	-0.8%
Aluminium	2230	-0.6%
Nickel	1349	-0.4%
Lead	183	1.2%
Zinc	259	-0.4%

Inventory		Current	W/W Chg.	Units
Copper	LME	314950	-1225	MT
	Shanghai	215374	-26371	MT
Aluminum	LME	827850	-3500	MT
	Shanghai	285947	-3973	MT
Nickel	LME	122748	534	MT
	Shanghai	19271	-65	MT
Lead	LME	175075	-200	MT
	Shanghai	30525	4674	MT
Zinc	LME	232725	-1725	MT
	Shanghai	84488	-78	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	67.36	0.3%
Natural gas	2.29	1.7%

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	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	2387.5	69500	99	2	8	-11.1%
-13.9%	87	54	2000	70000	126.5	2892	1412	-0.6%
0.0%	1	0	1544	70500	221	351	130	3.2%
-14.2%	655	1466	1243.5	71000	340	6841	1692	-20.0%
-26.0%	154	823	954	71500	535	2189	371	14.5%
1.5%	2840	11475	730	72000	779	4514	810	14.1%
17.1%	151	493	518.5	72500	1197	2	2	0.0%
5.2%	1460	4655	360.5	73000	1416	151	148	-2.0%
10.0%	22	10	195.5	73500	1763.5	0	0	0.0%

## MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-42.5%	3165	173293	144.1	5500	42.3	478883	10879	34.0%
-56.6%	846	88629	120.1	5550	56	177007	3029	195.8%
-46.0%	6119	402402	96.6	5600	69.7	499678	9856	73.1%
-40.7%	1802	161923	77	5650	90	142817	3425	253.8%
-34.5%	12185	451993	59.1	5700	109.8	341773	8656	41.0%
-42.8%	3163	119765	47	5750	136.1	43711	805	11.2%
-31.3%	14377	318126	34.7	5800	165.7	103374	3874	-4.5%
-39.4%	3185	37970	25.9	5850	199	7398	801	0.0%
-30.9%	12332	107174	19.9	5900	236.7	22343	3710	-17.1%

## MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-3.8%	275	118	29.55	160	0.75	12817	7207	6.7%
-1.0%	685	2288	21.35	170	1.8	24973	9699	21.7%
-10.6%	6214	25767	13.8	180	3.85	58510	11697	13.9%
-5.6%	2799	32220	10.85	185	5.5	49900	5734	24.2%
0.0%	7581	91922	8.4	190	255	74707	7090	43.1%
26.6%	5047	51034	6.2	195	10.15	31593	1591	138.5%
4.8%	7999	65090	4.45	200	13.15	18548	1947	35.5%
-3.3%	3966	32534	2.3	210	20.5	899	226	9.2%
-13.8%	2896	10684	1.15	220	26.7	38	498	0.6%

### Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,186	6,124	6,155	6,192	6,223	6,260	Bearish	Moderate	6174 - 6242
Cocudakl	NCDEX	Dec	3,020	2,977	2,999	3,031	3,053	3,085	Bearish	Moderate	2988 - 3042
Cotton	NCDEX	Sept	58,610	58,003	58,307	58,553	58,857	59,103	Bearish	Moderate	58430 - 58980
Dhaniya	NCDEX	Oct	6,906	6,779	6,843	6,889	6,953	6,999	Bearish	Moderate	6866 - 6976
Jeera	NCDEX	Sept	25,540	25,013	25,277	25,473	25,737	25,933	Bearish	Moderate	25375 - 25835
Guar Seed	NCDEX	Oct	5,352	5,315	5,334	5,349	5,368	5,383	Bearish	Moderate	5342 - 5376
Guar Gum	NCDEX	Oct	10,511	10,438	10,474	10,522	10,558	10,606	Bearish	Moderate	10498 - 10582
Mentha Oil	MCX	Sept	949	941	945.07	949	953	958	Bearish	Moderate	947 - 956
Turmeric	NCDEX	Oct	14,042	13,831	13,937	14,105	14,211	14,379	Bearish	Moderate	13884 - 14158

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Oct	71927	71303	71615	71920	72232	72537	Bullish	High	71459 - 72076
Gold Comex	Comex	Sept	2512	2490	2501	2513	2525	2537	Bullish	Moderate	2495 - 2519
Silver	MCX	Dec	84450	82330	83390	84220	85280	86110	Strong	Moderate	83805 - 85695
Silver Comex	Comex	Sept	28.65	27.79	28.22	28.56	28.99	29.34	Flat	Moderate	28 - 29
Crude	MCX	Sept	5690	5452	5571	5645	5764	5838	Bearish	Moderate	5608 - 5801
Crude Nymex	Nymex	Oct	66.60	64.09	65.35	66.24	67.50	68.39	Bearish	Moderate	66 - 68
Nat Gas	MCX	Sept	192	182	187	191	196	201	Bullish	High	189 - 198
BullDex	MCX	Sept	17859	17706	17782	17876	17952	18046	Flat	Moderate	17744 - 17914
Copper	MCX	Sept	792.20	783	788	791	795	798	Flat	Moderate	789 - 797
Zinc	MCX	Sept	259.30	253	256	258	261	263	Flat	Moderate	257 - 262
Lead	MCX	Sept	183	180	181	182	184	185	Flat	Moderate	182 - 185
Aluminum	MCX	Sept	223.00	218	220	222	225	226	Flat	Moderate	221 - 225

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