



Thursday, October 10, 2024

Overview

- Gold prices ease on reduced expectations of larger cuts by Fed
- Copper drops on reduced optimism on China stimulus measures
- U.S. oil inventories grew by 5.8 Mbs
- Today US CPI will be important.

Precious Metals

Gold retreated for sixth straight session, extending a drop from record highs amid growing bets that the Federal Reserve will cut interest rates at a slower pace in the coming months. Dollar hit a two month highs against its major crosses and sharp recovery in US Yields weighed on broader metal markets. The minutes of the Sept. at which the Fed lowered benchmark policy rate by 50bps, noted the showed mixed views regarding the pace of interest rate cuts ahead. A "substantial majority" of Fed officials at the September meeting supported beginning an era of easier monetary policy with an outsized half-point rate cut, but agreed that further easing will be data-driven, according to minutes of the session. Markets now see a 76% likelihood of a 25bps cut from the Fed next month, according to the CME Fed-Watch tool. Dallas Fed Bank President Logan said she wants smaller reductions ahead, given the "still real" upside risks to inflation and "meaningful uncertainties" over the economic outlook. Investors now await U.S. Consumer Price Index (CPI) and Producer Price Index (PPI) data due on today and tomorrow respectively, for further insights on interest rate outlook. Gold on domestic front could trade in a range between ₹74,500-75,500.

Precious metals	Close (\$)	%Chg.
Gold	2614.8	0.3%
Silver	30.60	0.3%
CFTC data	Speculative Longs	Change WoW
Gold	248960	-5881
Silver	38379	-7709
ETF	Close	%Chg.
GOLD ETF	2004.1	0.74
Silver ETF	26316	0.00
Others	Close	%Chg.
DXY	102.93	-0.1%
US 10Y Yields	4.07	0.8%

Base Metals

Copper futures declined as traders reviewed the impact of Chinese stimulus on base metal demand in the near term. After a batch of alarming data threatened Beijing's 5% GDP growth, the Chinese government signaled that it would issue special bonds and advance longer-term investments to be spent this year, but the lack of additional measures announced in a briefing by the economic planning agency drove markets to become skeptical that such support would trigger increased demand for industrial inputs such as copper. The impacts of further rollouts on stimulus will continue to impact prices and any positive cues will boost base metal prices. The drop in prices was aggravated by expectations on a less-dovish Federal Reserve following strong unemployment statistics in the US, which strengthened the dollar used to trade copper futures and challenged optimism that relaxed financial conditions would aid factory activities.

Energy

Oil held steady after a day of choppy trading as US crude inventories swelled and traders monitored China's plans for fiscal policy. Prices also were supported by signs that tensions in the Middle East remain elevated. The latest reports indicated that Iran is prepared to launch thousands of missiles at Israel and target economic sites if it's attacked. Waning optimism over new stimulus measures in top oil importer China is disappointing investors, after authorities declined to introduce stronger, fiscal stimulus measures to shore up slowing growth. Meanwhile, data from the EIA showed U.S. oil inventories grew by 5.8 Mbs in the past week, much more than expectations for a build of 2.0 Mbs. Product inventories fell more than expected, with gasoline down 6.3Mbs and distillates down 3.1Mbs. The draw in gasoline stocks was the largest of the year so far following a surge in demand, likely driven by stockpiling. Traders were watching for any potential disruptions in oil supply from Hurricane Milton, one of the strongest hurricanes seen in recent history.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	826	-2.3%
Aluminium	233P	-3.3%
Nickel	1488	-1.9%
Lead	182	-0.9%
Zinc	276	-2.7%

Inventory		Current	W/W Chg.	Units
Copper	LME	294825	-1450	MT
	Shanghai	141625	1217	MT
Aluminum	LME	775275	-2500	MT
	Shanghai	280565	1394	MT
Nickel	LME	132372	522	MT
	Shanghai	22752	192	MT
Lead	LME	196825	-1600	MT
	Shanghai	40779	0	MT
Zinc	LME	244025	1625	MT
	Shanghai	79980	-176	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	73.77	0.5%
Natural gas	2.65	-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	141240	-20688
Natural Gas	-13713	1088

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	
-1.4%	281	130	1898	73000	183.5	3706	2815	5.2%
-66.7%	1	4	1466.5	73500	293	637	267	36.9%
12.0%	651	1261	1201	74000	472.5	8897	2278	4.7%
112.0%	106	518	900.5	74500	708	2475	345	45.0%
42.9%	3531	12087	685.5	75000	1015	6951	2038	5.0%
11.2%	961	2747	515.5	75500	1386	391	230	12.2%
10.6%	5583	8789	366.5	76000	1761.5	460	520	-5.3%
-5.6%	502	728	275	76500	2044	0	5	0.0%
0.5%	4003	2482	203	77000	2592	37	140	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-1.5%	2948	7258	392.5	5900	86.4	161920	5455	2.1%
-3.4%	1536	3373	357	5950	105	67711	2582	86.8%
-0.5%	4882	67593	328.7	6000	126.9	249910	6634	-11.5%
8260.0%	418	25623	301.3	6050	151.6	88693	1413	17.5%
20.1%	3779	181632	271.8	6100	177.3	277550	6306	7.9%
44.8%	1560	84556	246.8	6150	208.2	98331	1101	17.8%
47.6%	7532	290060	224.4	6200	237.5	248182	4025	8.9%
18.6%	2206	59375	204.4	6250	271.5	23506	402	-35.9%
4.6%	8060	169772	184.3	6300	305.7	62378	3266	-16.8%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-2.0%	96	49	40.65	190	1.45	4286	2114	0.6%
34.0%	280	296	33.85	200	3	14941	6023	-4.9%
80.6%	345	1348	26.35	210	5.8	18880	2872	2.3%
140.2%	269	2642	22.45	215	7.85	15465	876	-18.1%
114.0%	1883	17783	19.1	220	255	32451	4786	8.9%
556.0%	2178	25696	16.3	225	12.95	26409	1386	32.8%
123.3%	8047	46087	13.75	230	16.1	31086	4424	10.1%
8.9%	11243	30293	9.35	240	22.95	5084	2199	-10.2%
7.9%	9795	20374	6.45	250	31.1	730	1405	-6.7%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,908	6,823	6,865	6,903	6,945	6,983	Bearish	Moderate	6884 - 6964
Cocudakl	NCDEX	Dec	2,918	2,895	2,906	2,917	2,928	2,939	Bearish	Moderate	2901 - 2923
Cotton	NCDEX	Nov	56,810	56,110	56,460	56,960	57,310	57,810	Bearish	Moderate	56285 - 57135
Dhaniya	NCDEX	Oct	7,450	7,361	7,405	7,467	7,511	7,573	Bearish	Moderate	7383 - 7489
Jeera	NCDEX	Oct	26,755	26,452	26,603	26,852	27,003	27,252	Bearish	Moderate	26728 - 27128
Guar Seed	NCDEX	Oct	5,488	5,445	5,466	5,497	5,518	5,549	Bearish	Moderate	5456 - 5508
Guar Gum	NCDEX	Oct	11,118	10,957	11,038	11,111	11,192	11,265	Bearish	Moderate	11075 - 11229
Mentha Oil	MCX	Oct	916	908	912.10	915	918	921	Bearish	Moderate	913 - 920
Turmeric	NCDEX	Oct	14,004	13,651	13,827	14,059	14,235	14,467	Bearish	Moderate	13943 - 14351

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	74934	74547	74740	75038	75231	75529	Bearish	High	74644 - 75135
Gold Comex	Comex	Oct	2606	2601	2603	2606	2608	2610	Bearish	Moderate	2605 - 2609
Silver	MCX	Dec	88872	87589	88231	88922	89564	90255	Bearish	Moderate	87910 - 89243
Silver Comex	Comex	Nov	30.53	30.02	30.27	30.56	30.81	31.10	Bearish	Moderate	30 - 31
Crude	MCX	Oct	6119	5885	6002	6129	6246	6373	Bearish	Moderate	5944 - 6188
Crude Nymex	Nymex	Nov	72.59	69.65	71.12	72.47	73.94	75.29	Bearish	Moderate	70 - 73
Nat Gas	MCX	Oct	223	217	220	225	227	232	Bearish	Moderate	218 - 226
BullDex	MCX	Oct	18591	18474	18533	18602	18661	18730	Bearish	High	18504 - 18632
Copper	MCX	Oct	826.25	811	818	830	838	850	Bearish	Moderate	814 - 834
Zinc	MCX	Oct	276.45	269	273	278	281	286	Bearish	Moderate	271 - 280
Lead	MCX	Oct	182	179	180	182	183	185	Bearish	Moderate	179 - 183
Aluminum	MCX	Oct	232.65	228	230	233	235	238	Bearish	Moderate	229 - 234

Navneet Damani

Head Research- Currencies and Commodities

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhayay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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