



Monday, October 07, 2024

Overview

- US payrolls surpass estimates; unemployment rate drop by 0.1%
- Gold inches lower after dollar gains on better than expected data
- Oil prices set for weekly gains amidst Mid-East crisis

Precious Metals

Gold prices slipped after a stronger-than-expected U.S. jobs report poured cold water on expectations for an aggressive rate cut from the Federal Reserve next month, boosting the dollar. U.S. job growth accelerated in September and the unemployment rate slipped to 4.1%, further easing pressure on the Fed to deliver another 50 basis point rate cut at its Nov. 6-7 policy meeting. US non-farm payrolls showed job additions of 254K against the expectations of 150K and 72K of upward revisions to the past two months of data. Similarly, unemployment data was also reported lower than expectations of 4.1% v/s 4.2%. The dollar index, opens new tab jumped to a seven-week high against its major crosses, after the jobs data. Traders scaled back expectations for a 50 bps rate cut in November to almost 0% from 28%, weighing on metals. Israeli military strikes across Gaza Strip killed at least 29 Palestinians, and sirens blared in Israel in response to renewed rocket fire from militants in the Palestinian enclave. After Iran launching several missiles on Israel market participants are awaiting strong retaliatory response from the latter, increasing the risk premium further for bullions. Gold on domestic front could trade in a range between ₹75,500-76,500.

Precious metals	Close (\$)	%Chg.
Gold	2646.1	-0.2%
Silver	32.13	-0.1%
CFTC data	Speculative Longs	Change WoW
Gold	248960	-5881
Silver	38379	-7709
ETF	Close	%Chg.
GOLD ETF	2002.0	0.00
Silver ETF	26171	21.28
Others	Close	%Chg.
DXY	102.52	-0.1%
US 10Y Yields	3.97	3.3%

Base Metals

Copper prices held steady after some profit booking was seen last week. Some swings came as traders took some profits off the table after copper prices reached a four-month high, while rising Middle Eastern tensions drove markets to sell riskier positions in favor of safe-haven assets. Base metals have gained substantially as China's economic stimulus measures continued to support market sentiment amid hopes for stronger demand from the top metals consumer. Moreover, the prospect of further US interest rate cuts which could boost global economic activity added to the bullish outlook. Conflict flared in the Middle East as Israel continued to attack Lebanon, and Iran's president stood firm after his country fired missiles into Israel. Aluminium prices have also gained, supported by a series of economic stimulus measures from China aimed at boosting industrial demand. On the supply side, risks surrounding alumina output in China have contributed to price pressure. Challenges with bauxite production in Guinea and Australia have heightened concerns about alumina security, further supporting aluminium prices. Trading activity on LME remained subdued on the back of China being shut for national holiday last week.

Energy

Oil prices traded steady in morning session as market remains on edge after tensions between Israel and Iran flared up this week. Fears of an all-out war and an actual disruption to oil supply from the Middle East intensified, pushing oil prices higher. Currently, Middle Eastern producers like Saudi Arabia and the UAE have enough spare capacity to offset potential losses of supply from fellow member Iran. However, in case the conflict escalates to Iranian proxies targeting oil infrastructure in Iran's Middle Eastern neighbors, or if Iran moves to block or restrict oil cargo traffic in the Strait of Hormuz, oil prices could spike to triple digits and record highs. On economic data front, positive U.S. labor market data also helped spur some optimism over demand in the world's biggest fuel consumer. However, the reading sparked sharp gains in the dollar, which in turn weighed on crude prices. Still, trading volumes were somewhat limited because of golden week holidays in China. Chinese markets are set to reopen on Tuesday. Focus this week is on more U.S. economic cues, with consumer price index data due this week

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	855	-0.5%
Aluminium	2430	0.4%
Nickel	1522	3.1%
Lead	186	0.3%
Zinc	288	-0.2%

Inventory		Current	W/W Chg.	Units
Copper	LME	298525	425	MT
	Shanghai	141625	1217	MT
Aluminum	LME	782775	-2675	MT
	Shanghai	280565	1394	MT
Nickel	LME	131952	864	MT
	Shanghai	22644	6	MT
Lead	LME	198625	-500	MT
	Shanghai	40779	0	MT
Zinc	LME	245325	-1750	MT
	Shanghai	79980	-176	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	74.14	-0.5%
Natural gas	2.83	-4.1%

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	
0.0%	3	0	2449	73500	154.5	152	160	-1.2%
-4.2%	566	357	2074.5	74000	230	4258	2167	4.1%
6.7%	32	17	1775	74500	360.5	452	148	-11.4%
-1.1%	1380	3343	1402	75000	519	10420	2178	-2.6%
10.2%	281	1308	1138	75500	749	1562	198	48.9%
44.4%	2474	16518	890.5	76000	985	3807	504	1.6%
26.2%	400	1621	700	76500	1401.5	12	4	0.0%
39.8%	3471	9374	546.5	77000	1632	104	121	5.2%
-13.7%	214	735	396	77500	1866	0	0	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-30.9%	4353	32177	280.7	6100	133.4	90298	5649	35.6%
-28.2%	1267	22208	257.5	6150	159.4	26814	958	94.3%
-16.2%	5587	120010	238.7	6200	183.5	125064	3734	156.6%
25.0%	1210	42148	219.1	6250	209.6	16276	656	620.9%
112.8%	7399	159047	202	6300	238.6	77466	3038	494.5%
327.3%	1987	30961	186.6	6350	266.4	6001	300	1328.6%
28.8%	3013	76696	171.9	6400	299.7	10764	591	264.8%
74.7%	802	13728	158.6	6450	325.7	94	35	218.2%
12.2%	5993	98667	145.6	6500	364.7	2478	732	25.8%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-3.7%	158	55	41.8	210	3.3	12765	3185	-35.4%
-9.2%	753	341	32.7	220	5.6	19081	4334	-6.5%
0.1%	1144	2780	25.45	230	9.1	29428	2882	-39.7%
-31.6%	456	4807	22.3	235	11.45	23459	875	-58.8%
46.3%	4263	26929	19.2	240	255	44348	3729	-22.2%
60.2%	2705	27631	16.55	245	16.75	28920	1038	-54.8%
76.9%	7718	62143	14.1	250	19.95	35478	2946	21.1%
36.0%	8067	51432	10	260	26.85	5754	630	15.8%
46.9%	4591	26541	7.1	270	34.75	173	73	-12.0%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,819	6,667	6,743	6,802	6,878	6,937	Bearish	High	6705 - 6840
Cocudakl	NCDEX	Dec	2,932	2,877	2,904	2,933	2,960	2,989	Bearish	Moderate	2891 - 2947
Cotton	NCDEX	Nov	57,250	56,883	57,067	57,193	57,377	57,503	Bearish	Moderate	57130 - 57440
Dhaniya	NCDEX	Oct	7,270	7,078	7,174	7,242	7,338	7,406	Bearish	Moderate	7208 - 7372
Jeera	NCDEX	Oct	26,335	26,065	26,200	26,410	26,545	26,755	Bearish	Moderate	26133 - 26478
Guar Seed	NCDEX	Oct	5,420	5,263	5,342	5,468	5,547	5,673	Bearish	Moderate	5303 - 5508
Guar Gum	NCDEX	Oct	10,878	10,527	10,703	10,995	11,171	11,463	Bearish	Moderate	10615 - 11083
Mentha Oil	MCX	Oct	919	906	912.30	920	926	933	Bearish	Moderate	909 - 923
Turmeric	NCDEX	Oct	13,352	12,913	13,133	13,511	13,731	14,109	Bearish	Moderate	13023 - 13621

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	75530	74988	75259	75546	75817	76104	Bullish	Moderate	75124 - 75682
Gold Comex	Comex	Oct	2646	2623	2634	2651	2662	2679	Bearish	Moderate	2628 - 2656
Silver	MCX	Dec	93349	89828	91589	93488	95249	97148	Bullish	High	92539 - 96199
Silver Comex	Comex	Nov	32.25	31.18	31.71	32.29	32.82	33.40	Bullish	High	32 - 33
Crude	MCX	Oct	6339	6109	6224	6292	6407	6475	Bullish	High	6258 - 6441
Crude Nymex	Nymex	Nov	73.68	71.92	72.80	73.82	74.70	75.72	Bullish	Moderate	73 - 75
Nat Gas	MCX	Oct	240	230	235	245	250	259	Bearish	Moderate	232 - 247
BullDex	MCX	Oct	18998	18737	18868	19031	19162	19325	Bullish	Moderate	18803 - 19097
Copper	MCX	Oct	855.35	846	850	855	860	865	Bullish	Moderate	853 - 863
Zinc	MCX	Oct	287.80	283	285	287	290	291	Bullish	Moderate	286 - 290
Lead	MCX	Oct	186	184	185	186	188	189	Bullish	High	186 - 188
Aluminum	MCX	Oct	242.90	239	241	242	244	245	Bullish	Moderate	242 - 245

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