



Monday, October 14, 2024

Overview

- China Inflation rate hit 3month low at 0.4%
- Oil prices extend fall on mounting China demand worries
- Focus this week will be on US Retail sales, IIP and a few housing numbers

Precious Metals

Gold and silver price rose last week after U.S. inflation data cemented prospects of a rate cut next month, restraining the dollar below recent highs, while safe-haven demand stemming from the geopolitical tensions in the Middle East also lifted the bullion. Except for US headline CPI data which was reported 0.1% lower at 2.4% than previous month and US PPI MoM, all other inflation markings were in-line or better than expectations. However, market participants focused on ease off in inflation supporting the case for rate cuts this year. Dollar index continue to inch higher hovering now above 103, similarly US Yields also inch higher, capping gains for metal prices. Geo-political tensions are also on rise as Israel showed no intention to take pause from continuous attacks, while there were some updates regarding increased tussle between China and Taiwan. Weaker than expected data from China over the weekend could also weigh on silver. On physical front, gold dealers in India charged premiums for the first time in two months this week as the upcoming festival season attracted some jewellery buying. Focus this week will be on US Retail sales, IIP and a few housing numbers. Gold on domestic front could trade in a range between ₹75,500-76,500.

Precious metals	Close (\$)	%Chg.
Gold	2655.0	0.0%
Silver	31.20	-1.0%
CFTC data	Speculative Longs	Change WoW
Gold	226283	-22677
Silver	34744	-3635
ETF	Close	%Chg.
GOLD ETF	1982.3	-7.41
Silver ETF	26273	0.00
Others	Close	%Chg.
DXY	102.89	0.1%
US 10Y Yields	4.07	0.7%

Base Metals

Base metals opened lower after rising in the previous week, pressured by a disappointing announcement over the weekend which fell short of expectations as government authorities failed to spell out exactly how much it intends to spend on any additional stimulus. Meanwhile, data released on Sunday showed that consumer inflation in China slowed in September, while producer deflation persisted. China's annual inflation rate stood at 0.4% in September 2024, below market forecasts and August's figure of 0.6%. This was the 8th month of consumer inflation but was the lowest print since June, highlighting the need for more policy support from Beijing to address growing deflation risks. Zinc prices remained supported as on the supply side, ILZSG revised its forecast for 2024, predicting a global zinc deficit of 164,000 metric tons, largely due to reduced output in Europe, particularly in Ireland and Portugal, as well as in China, Canada, and Peru.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	840	0.7%
Aluminium	2420	2.0%
Nickel	1478	-0.7%
Lead	184	0.9%
Zinc	288	2.2%

Inventory		Current	W/W Chg.	Units
Copper	LME	297550	-1800	MT
	Shanghai	156485	14860	MT
Aluminum	LME	770275	-2500	MT
	Shanghai	280953	388	MT
Nickel	LME	132570	258	MT
	Shanghai	23117	196	MT
Lead	LME	195875	-775	MT
	Shanghai	44566	3787	MT
Zinc	LME	242000	-450	MT
	Shanghai	80714	734	MT

Energy

Oil prices fell sharply in early morning trade, retreating after data from top importer China pointed to a sustained deflationary trend, while the country's plans for fiscal stimulus largely underwhelmed. Crude prices were also under pressure by chatter over a potential ceasefire in the Middle East, after Lebanese Prime Minister Najib called for an immediate ceasefire between Israel and Hezbollah. Concerns over an escalation in the conflict saw oil prices clock two weeks of strong gains. The US is expanding its sanctions on Iran's oil and petrochemical sectors in response to the 1 October missile attack on Israel. It is sanctioning 17 ships and 10 entities that have been involved with shipping Iranian oil. Meanwhile, moves by OPEC members to better adhere to quotas are taking shape. Iraq reported to cutting its oil output by 260kb/d to 3.94mb/d, below its OPEC+ quota. Members that have been over-producing expected to cut deeper than current quotas to make up for extra barrels they produced. Market participants keep a watch on monthly report from the Organization of Petroleum Exporting Countries is due later in the day and is likely to provide more cues on supply.

Energy	Close (\$)	%Chg.
WTI Crude oil	74.63	-1.2%
Natural gas	2.63	-1.6%

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	137293	-3947
Natural Gas	-19620	-5907

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		
-31.8%	463	1034	1166	74000	112	7350	2602	-11.4%	
-53.7%	82	495	853	74500	190	2545	442	-2.2%	
-41.5%	1920	9072	624.5	75000	330	14907	3037	63.2%	
-34.5%	542	7780	459	75500	537	3451	950	400.0%	
-37.4%	3259	18346	334	76000	819	2537	688	39.8%	
5.4%	491	1554	247.5	76500	1310	8	5	0.0%	
-12.6%	3499	5318	178	77000	1531.5	225	117	-14.0%	
25.3%	238	606	137.5	77500	1838	0	0	0.0%	
2.4%	2785	3530	106	78000	2295.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.5%	831	2927	338.5	6150	90.7	36922	1636	-26.8%	
9681.6%	3717	61294	309.6	6200	110.8	136877	6970	-22.7%	
25.3%	1234	22486	281	6250	133.9	44320	2116	-9.2%	
22.0%	6579	196674	257.9	6300	158.1	205104	6978	-3.1%	
52.1%	1799	79273	234.2	6350	188	62227	1054	-4.4%	
24.8%	5282	187121	214.3	6400	216.2	101150	2908	-2.5%	
37.8%	1105	38079	194.8	6450	249.9	7498	125	2.5%	
14.0%	7253	105681	177	6500	282.6	18107	1409	-4.3%	
-5.6%	594	18511	161.5	6550	315.1	135	27	-22.9%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
33.3%	569	4963	19	210	5.15	28665	3099	-29.1%	
21.6%	3702	40830	13.15	220	9.35	48021	5366	-3.4%	
26.1%	10189	63474	8.65	230	15.3	30602	3917	6.4%	
20.8%	3570	23898	7.05	235	18.9	7961	914	-9.7%	
13.5%	12377	31383	5.65	240	255	6048	2054	-5.0%	
10.4%	3442	13425	4.6	245	26.45	1667	452	-2.0%	
7.1%	10420	22940	3.75	250	31.2	150	1366	-0.9%	
4.5%	8315	11759	2.45	260	39.45	27	513	-1.2%	
4.9%	5072	6651	1.55	270	45.15	1	70	1.4%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,864	6,784	6,824	6,850	6,890	6,916	Bearish	Moderate	6837 - 6903
Cocudakl	NCDEX	Dec	2,961	2,944	2,953	2,965	2,974	2,986	Bearish	Moderate	2959 - 2980
Cotton	NCDEX	Nov	57,000	56,633	56,817	57,003	57,187	57,373	Bearish	Moderate	56910 - 57280
Dhaniya	NCDEX	Oct	7,410	7,331	7,371	7,407	7,447	7,483	Bearish	Moderate	7389 - 7465
Jeera	NCDEX	Oct	26,725	26,582	26,653	26,762	26,833	26,942	Bearish	Moderate	26708 - 26888
Guar Seed	NCDEX	Oct	5,623	5,526	5,574	5,622	5,670	5,718	Bearish	Moderate	5598 - 5694
Guar Gum	NCDEX	Oct	11,445	11,232	11,338	11,447	11,553	11,662	Bearish	Moderate	11393 - 11608
Mentha Oil	MCX	Oct	924	914	918.90	922	927	930	Flat	Moderate	917 - 925
Turmeric	NCDEX	Oct	13,574	13,322	13,448	13,656	13,782	13,990	Bearish	Moderate	13385 - 13719

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	76307	75416	75861	76106	76551	76796	Bullish	Moderate	75984 - 76674
Gold Comex	Comex	Oct	2658	2631	2645	2651	2664	2671	Bullish	Moderate	2648 - 2668
Silver	MCX	Dec	91690	90008	90849	91367	92208	92726	Bullish	High	91108 - 92467
Silver Comex	Comex	Nov	31.60	30.95	31.27	31.46	31.79	31.98	Bullish	Moderate	31 - 32
Crude	MCX	Oct	6364	6219	6291	6346	6418	6473	Bullish	Moderate	6255 - 6382
Crude Nymex	Nymex	Nov	74.85	73.23	74.04	74.66	75.47	76.09	Bullish	Moderate	74 - 75
Nat Gas	MCX	Oct	222	215	219	224	228	233	Bearish	Moderate	217 - 226
BullDex	MCX	Oct	18931	18758	18844	18903	18989	19048	Bullish	Moderate	18874 - 19019
Copper	MCX	Oct	840.10	825	833	837	845	849	Bullish	High	835 - 847
Zinc	MCX	Oct	288.30	281	285	287	290	292	Bullish	High	286 - 291
Lead	MCX	Oct	184	181	182	183	185	185	Strong	Moderate	183 - 185
Aluminum	MCX	Oct	241.50	237	239	241	243	245	Bullish	High	240 - 244

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