



Friday, October 18, 2024

Overview

- Gold hit an all-time high, breaching \$2700 mark
- China economy grew at 4.6% YoY in Q324
- On focus today- US housing starts and building permits

Precious Metals

Gold prices hit a record on both Comex as well as on domestic front benefiting from safe haven demand with just weeks left to a closely contested U.S. presidential election, while an interest rate cut by the European Central Bank also helped. Despite strong U.S. retail sales and labor market data, gold prices inched higher increasing further bets that U.S. interest rates will fall at a slower pace in the coming months. US Retail sales was reported at 0.4% v/s 0.1% in previous month, jobless claims also fell from the previous week, supporting an up-move in dollar index. A 25bps cut by the ECB indicated that major global central banks were still set to cut rates further, with a lower rate environment likely to support gold and other non-yielding assets. Despite strong data from US, rate cut expectations for 25bps cut in November meet remains near 90%. Israel confirmed yesterday that Hamas leader, master mind of last year's attack Yahya Sinwar was killed in Gaza a big victory for Israel, this could lead to further escalations. Focus today will be on comments from several Fed officials, housing numbers and fed budget balance from the US. Gold on domestic front is expected to trade in a range of 77,000- 78,000

Precious metals	Close (\$)	%Chg.
Gold	2707.2	0.5%
Silver	31.99	0.9%
CFTC data	Speculative Longs	Change WoW
Gold	226283	-22677
Silver	34744	-3635
ETF	Close	%Chg.
GOLD ETF	2024.5	6.61
Silver ETF	26361	0.00
Others	Close	%Chg.
DXY	103.83	-0.1%
US 10Y Yields	4.09	2.0%

Base Metals

Base metal prices inched lower in yesterday's session as funds exited industrial metals and switched to gold to reduce exposure to China's struggling economy. The negativity about China, the world's largest metals consumer, persisted as a lack of new stimulus from a widely awaited housing policy briefing this week disappointed some investors, sending Chinese and Hong Kong stocks lower. The dollar also hovered near an 11-week high, making metals expensive. However, prices saw some recovery in Asian trading session after slightly positive data from China and reports suggesting China will have major banks cut deposit rates starting today. The Chinese economy grew 4.6% year on year in the third quarter of 2024, compared to market expectations of 4.5% and a 4.7% increase in Q2. The new data came as Beijing stepped up stimulus measures to accelerate economic recovery and restore confidence. In September alone, there were some encouraging signs: industrial output and retail sales increased at their fastest rates in four months, while the urban unemployment rate fell to a three-month low of 5.1%.

Energy

Crude oil snapped a four-day losing streak to end the session higher, as traders weighed falling US crude stockpiles and potential risks to production in the Middle East against underwhelming stimulus measures from China. EIA inventory showed US crude inventories decreased by 2.19 million barrels. That was a steeper drop than projection of a 1.3 million-barrel gain. The report helped arrest a slump driven by reports that Israel would avoid striking Iran's crude facilities. Still, the conflict is showing little sign of abating, with Israel saying Hamas leader Yahya killed by Israel Defense Forces. Israel has also stepped up air strikes on Lebanon, and US stealth bombers hit weapons storage sites linked to Iran-backed Houthi rebels in Yemen. Natural gas prices extended sharp decline to a new 1-month nearest-futures low as outlook for above-normal US temperatures that will reduce heating demand for gas is weighing on gas prices. Losses in gas prices were limited after weekly EIA gas inventories rose +76 bcf, right on expectations but well below the five-year average for this time of year of +96 bcf. In Europe, gas storage was 95% full as of October 13, above the 5-year seasonal average of 92% full for this time of year. Focus today will be on comments from several Fed officials, housing numbers and fed budget balance from the US.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	814	0.5%
Aluminium	2350	0.9%
Nickel	1473	-0.3%
Lead	183	-0.1%
Zinc	282	0.1%

Inventory		Current	W/W Chg.	Units
Copper	LME	287425	-1325	MT
	Shanghai	156485	14860	MT
Aluminum	LME	762850	-2500	MT
	Shanghai	280953	388	MT
Nickel	LME	134322	1038	MT
	Shanghai	24493	35	MT
Lead	LME	194475	-300	MT
	Shanghai	44566	3787	MT
Zinc	LME	241800	1275	MT
	Shanghai	80714	734	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	70.55	-0.3%
Natural gas	2.38	-5.5%

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.

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Options Monitor

MCX Gold Mini

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-30.8%	630	2808	1270	75000	22.5	12167	3293	9.9%	
-4.3%	442	1780	878	75500	56.5	7242	2261	-5.9%	
-28.0%	2070	21821	586.5	76000	168.5	35952	4083	78.5%	
-6.0%	1216	19851	367.5	76500	380	9096	510	473.0%	
17.5%	3967	26655	215	77000	688	4432	597	125.3%	
102.8%	951	3843	105	77500	1025.5	0	0	0.0%	
23.2%	3507	7673	55	78000	1560	2	1	0.0%	
19.2%	553	815	23	78500	1963	0	0	0.0%	
0.0%	1	1	254	79000	2283.5	0	0	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-25.5%	1570	13548	230.2	5700	0.1	55411	10227	-12.0%	
-1.6%	1377	4919	181.7	5750	0.1	25673	1001	-60.1%	
-51.3%	2121	77748	140.8	5800	0.5	146166	6924	-27.2%	
-42.4%	1187	64088	103.5	5850	2	157518	3420	-5.3%	
-73.2%	2478	470026	72.2	5900	15.3	550231	2661	-70.7%	
-63.2%	2031	338651	48.2	5950	58.9	265665	393	-78.8%	
-43.2%	8907	283289	30.6	6000	105.6	245874	3464	-37.6%	
-62.9%	1419	63352	19.6	6050	150.1	20586	200	-62.4%	
-62.4%	3166	57961	13.6	6100	206.8	34930	1926	-47.2%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	0	0	30.4	170	0.4	7719	2365	94.7%	
17.8%	199	1963	21.6	180	1.25	19604	3456	24.5%	
80.4%	1681	23649	13.5	190	3.45	56369	5428	54.7%	
79.1%	2094	33174	10.3	195	5.4	58478	3781	143.6%	
60.0%	11280	107808	7.6	200	255	102723	12608	9.0%	
30.9%	8388	63759	5.6	205	11.2	32345	4470	-14.3%	
12.2%	15532	71441	4.1	210	14.9	22541	7598	-11.5%	
-3.1%	12082	33218	2.25	220	23.35	3784	3946	-10.4%	
-3.8%	11105	22307	1.3	230	33.15	406	2395	-8.0%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,857	6,806	6,831	6,879	6,904	6,952	Bearish	Moderate	6819 - 6892
Cocudakl	NCDEX	Dec	3,006	2,914	2,960	2,986	3,032	3,058	Bearish	Moderate	2973 - 3045
Cotton	NCDEX	Nov	56,910	56,363	56,637	57,033	57,307	57,703	Bearish	Moderate	56835 - 57505
Dhaniya	NCDEX	Oct	7,426	7,306	7,366	7,452	7,512	7,598	Bearish	Moderate	7336 - 7482
Jeera	NCDEX	Oct	25,080	24,773	24,927	25,013	25,167	25,253	Bearish	Moderate	24970 - 25210
Guar Seed	NCDEX	Oct	5,535	5,454	5,494	5,521	5,561	5,588	Bearish	Moderate	5508 - 5575
Guar Gum	NCDEX	Oct	11,240	11,020	11,130	11,210	11,320	11,400	Bearish	Moderate	11170 - 11360
Mentha Oil	MCX	Oct	914	908	910.57	914	917	921	Bearish	Moderate	909 - 916
Turmeric	NCDEX	Oct	13,596	12,975	13,285	13,477	13,787	13,979	Bearish	Moderate	13130 - 13632

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	77107	76389	76748	76979	77338	77569	Bullish	Moderate	76864 - 77454
Gold Comex	Comex	Oct	2691	2672	2682	2687	2696	2701	Bullish	High	2684 - 2699
Silver	MCX	Dec	91744	90115	90930	91845	92660	93575	Bullish	Moderate	90523 - 92253
Silver Comex	Comex	Nov	31.63	31.12	31.37	31.71	31.96	32.30	Bearish	Moderate	31 - 32
Crude	MCX	Oct	5897	5768	5833	5900	5965	6032	Bearish	Moderate	5801 - 5933
Crude Nymex	Nymex	Nov	70.09	68.20	69.14	69.84	70.78	71.48	Bearish	Moderate	69 - 70
Nat Gas	MCX	Oct	198	193	195	199	202	206	Bearish	Moderate	194 - 201
BullDex	MCX	Oct	19086	18918	19002	19056	19140	19194	Bullish	Low	19029 - 19167
Copper	MCX	Oct	814.10	803	809	814	820	826	Bearish	Moderate	806 - 817
Zinc	MCX	Oct	281.90	275	279	281	284	286	Bearish	Moderate	280 - 285
Lead	MCX	Oct	183	181	182	182	183	184	Bearish	Moderate	181 - 183
Aluminum	MCX	Oct	235.20	233	234	236	237	239	Bearish	Moderate	233 - 236

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