



Wednesday, October 23, 2024

Overview

- Silver prices cross 100,000 on MCX
- IMF lowers global growth forecast for 2025 to 3.2%
- Aluminum prices rose on high raw material prices
- On focus this week- Mfg and Services PMI from major economies

Precious Metals

Gold hit an all-time peak, silver as well hit a 12 year high on Comex and an all-time high breaching psychological level of ₹1 lakh on domestic front as factors including safe-haven demand, spurred by U.S. election uncertainties and the Middle East war, combined with expectations of further monetary easing to amplify bullion's surge. Gold, considered a hedge against geopolitical and economic uncertainties, has gained over 32% this year, reaching multiple records. Democratic U.S. Vice President Kamala Harris held a marginal 46% to 43% lead over Republican Former President Donald Trump. IMF in their latest forecast, just two weeks before the presidential vote, kept the forecast unchanged and said that the world economy to expand 3.2% both this year and next. However, a sign of caution was seen in their World Economic Outlook regarding higher tariffs which could impact the world trade by mid-2025 if levied by any of Presidential contenders. Fed officials in their comments are mixed tone regarding the pace of interest rate cuts this year however, market participants are factoring in 90% probability for a 25bps cut in the month of November. Focus this week will be on preliminary manufacturing and services PMI from major economies and US durables goods orders data.

Precious metals	Close (\$)	%Chg.
Gold	2738.8	-0.4%
Silver	34.56	-0.8%
CFTC data	Speculative Longs	Change WoW
Gold	235284	9001
Silver	35532	788
ETF	Close	%Chg.
GOLD ETF	2028.4	-9.24
Silver ETF	26536	92.43
Others	Close	%Chg.
DXY	104.08	0.0%
US 10Y Yields	4.23	0.6%

Base Metals

Aluminum prices soared due to record high raw material prices. Alumina supply has tightened due to a bauxite shortfall caused by disturbances in Guinea, the world's second-largest bauxite exporter after Australia. Bauxite is refined into alumina, the primary element in aluminium production. China's industrial production increased by 5.4% year on year in September, above market expectations, while retail sales increased by 3.2% over the same period. These good economic statistics support the view that China will deploy additional stimulus measures to boost development. Despite these supportive circumstances, worldwide aluminium production has continued to climb, with total output for the first nine months of the year up 4.6% from the same period in 2023. Despite positive trends seen by supply constraints, base metal prices remain pressured due to a strong dollar index. Investors continued to dial back bets on aggressive Federal Reserve rate cuts, while bracing for the upcoming US presidential election. IMF also revised its forecast for China's growth this year down slightly to 4.8%, warning that a persistent downturn in the real estate sector could potentially worsen.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	819	-0.9%
Aluminium	2409	-0.7%
Nickel	1439	-0.2%
Lead	181	-0.4%
Zinc	290	-0.4%

Inventory		Current	W/W Chg.	Units
Copper	LME	280100	-2100	MT
	Shanghai	168425	11940	MT
Aluminum	LME	755350	-2500	MT
	Shanghai	283210	2257	MT
Nickel	LME	135150	558	MT
	Shanghai	23947	-126	MT
Lead	LME	193150	-225	MT
	Shanghai	56235	11669	MT
Zinc	LME	234625	-2550	MT
	Shanghai	80077	-637	MT

Energy

Oil prices closed higher as concerns over an escalating Middle East conflict intensified following a report from Israel's Channel 12, indicating that Israel may target Iran within days. The conflict persists despite U.S. Secretary of State Antony Blinken's meeting with Prime Minister Benjamin Netanyahu in a renewed attempt to broker a ceasefire, possibly the Biden administrations last chance to secure a deal ahead of the U.S. presidential election. Prices were also supported by an interest rate cut from China's central bank. However, gains were capped due to limited optimism surrounding this move, as it is part of a series of recent stimulus efforts that lack details on timing and scale. Oil prices were also pressured by recent strength in the dollar, as expectations of smaller interest rate cut by the Federal Reserve boosted the greenback to its strongest levels since early-August. In the U.S., API inventory data showed oil inventories increased by 1.643 million barrels in the past week, exceeding expectations of a 0.7 million-barrel build. This raised concerns about weakening U.S. fuel demand, ahead of official inventory data due later on Wednesday.

Energy	Close (\$)	%Chg.
WTI Crude oil	71.58	0.4%
Natural gas	2.30	0.0%

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	129653	-7640
Natural Gas	-79431	-59811

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		
-60.8%	189	700	1504	76000	0.5	5303	1814	-50.1%	
-59.9%	91	686	1020	76500	0.5	16053	1793	-13.3%	
-77.4%	256	3787	561.5	77000	0.5	21140	1619	-51.6%	
-94.1%	89	7650	196	77500	0.5	32939	2036	111.0%	
-93.0%	496	85211	57.5	78000	4	37289	829	144.5%	
-63.7%	1052	29125	17	78500	249.5	893	45	400.0%	
308.0%	2048	17645	7	79000	728	163	18	157.1%	
0.0%	0	0	0.5	79500	1991.5	0	0	0.0%	
-100.0%	0	0	0.5	80000	2491.5	0	0	-100.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-31.9%	2369	17388	320.1	5800	146.2	63962	7200	26.0%	
-41.3%	336	7774	294.9	5850	167.9	17122	1007	39.5%	
-10.4%	5214	81254	271.6	5900	189.4	85182	5355	25.9%	
-32.1%	892	26103	249.1	5950	214.4	22725	940	165.5%	
-10.5%	6812	111554	228.9	6000	239.4	68814	4530	80.3%	
38.9%	736	17154	209.6	6050	268.1	5315	180	1400.0%	
-17.1%	3449	70301	192	6100	298	14775	991	180.7%	
-26.0%	268	11240	177.2	6150	328.9	200	15	114.3%	
-14.3%	2929	41981	162.9	6200	362.6	1603	689	14.8%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
0.0%	3	7	24.4	170	0.15	10468	2756	6.2%	
31.4%	624	16725	14.9	180	0.65	59171	6640	9.8%	
1.0%	5030	120509	7.45	190	2.7	206336	7877	-1.8%	
1.6%	5463	192342	4.95	195	5	180705	4411	32.2%	
-4.9%	12400	240033	3.1	200	255	124351	9693	5.1%	
6.1%	8513	116026	1.95	205	11.85	40239	3707	-3.6%	
-20.1%	11244	94148	1.2	210	16.05	18292	6589	-6.4%	
-2.3%	9633	25579	0.6	220	25.55	558	3095	-3.9%	
-2.9%	8787	10862	0.3	230	34.2	238	1995	-4.8%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,739	6,674	6,707	6,743	6,776	6,812	Bearish	Moderate	6691 - 6760
Cocudakl	NCDEX	Dec	3,036	2,987	3,011	3,050	3,074	3,113	Bearish	Moderate	2999 - 3062
Cotton	NCDEX	Nov	57,270	56,703	56,987	57,243	57,527	57,783	Bearish	Moderate	56845 - 57385
Dhaniya	NCDEX	Oct	7,458	7,377	7,417	7,461	7,501	7,545	Bearish	Moderate	7439 - 7523
Jeera	NCDEX	Oct	25,310	25,063	25,187	25,313	25,437	25,563	Bearish	Moderate	25250 - 25500
Guar Seed	NCDEX	Oct	5,407	5,294	5,350	5,432	5,488	5,570	Bearish	Moderate	5322 - 5460
Guar Gum	NCDEX	Oct	10,875	10,488	10,682	10,925	11,119	11,362	Bearish	Moderate	10585 - 11022
Mentha Oil	MCX	Oct	919	914	916.13	919	922	924	Bearish	Moderate	918 - 923
Turmeric	NCDEX	Oct	13,656	13,325	13,491	13,695	13,861	14,065	Strong	Low	13408 - 13778

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	78656	78011	78334	78511	78834	79011	Bullish	Moderate	78423 - 78923
Gold Comex	Comex	Oct	2744	2722	2733	2740	2751	2757	Bullish	Low	2736 - 2754
Silver	MCX	Dec	99972	96936	98454	99233	100751	101530	Bullish	Moderate	98844 - 101141
Silver Comex	Comex	Nov	34.88	33.47	34.18	34.54	35.24	35.60	Bullish	Moderate	34 - 35
Crude	MCX	Oct	6040	5762	5901	5991	6130	6220	Strong	Moderate	5946 - 6175
Crude Nymex	Nymex	Nov	71.74	68.32	70.03	71.06	72.77	73.80	Bullish	Moderate	71 - 73
Nat Gas	MCX	Oct	195	187	191	195	199	204	Bearish	Moderate	189 - 197
BullDex	MCX	Oct	19833	19537	19685	19774	19922	20011	Bullish	Moderate	19730 - 19967
Copper	MCX	Oct	818.85	812	815	818	822	825	Flat	Moderate	817 - 824
Zinc	MCX	Oct	289.60	280	285	288	292	295	Bullish	High	286 - 294
Lead	MCX	Oct	181	180	181	182	182	183	Bearish	Moderate	180 - 182
Aluminum	MCX	Oct	239.55	235	237	239	241	242	Bullish	High	238 - 241

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