



Wednesday, October 30, 2024

Overview

- Gold hits record high on safe-haven bid
- Oil prices stabilized on US SPR refill talks
- Copper gained on revived hope for larger fiscal stimulus by China
- Today US GDP and ADP nonfarm data will be crucial to watch.

Precious Metals

Gold prices hit a record high as safe haven demand was boosted by increased political uncertainty in the U.S. and Japan, as well as anticipation of more cues on interest rates. Bullions had a slow start to the week as a less severe than feared attack by Israel on Iran pushed up some hopes of easing tensions in the Middle East. But safe haven demand remained underpinned by anticipation of a tight 2024 presidential election, with voting set for November 5. Japan also added to the political uncertainty after a coalition led by the ruling Liberal Democratic Party lost its parliamentary majority in a recent election. Beyond elections, tensions in the Middle East also still remained in play, given that Iran still vowed retaliation for Israel's recent strike. Consumer confidence data in the yesterday's session were reported better than expectations at 108.7 v/s 99.5. However, no major impact was seen on market as major uncertainties are driving the prices. Focus today will also be on US GDP and ADP private payroll data which could trigger volatility in market. Gold on domestic front is expected to trade between the range of 78,500 -79,500.

Precious metals	Close (\$)	%Chg.
Gold	2780.4	0.2%
Silver	34.37	-0.2%
CFTC data	Speculative Longs	Change WoW
Gold	242089	6805
Silver	47360	11828
ETF	Close	%Chg.
GOLD ETF	2024.1	1.07
Silver ETF	26519	0.00
Others	Close	%Chg.
DXY	104.32	0.0%
US 10Y Yields	4.25	-0.1%

Base Metals

Copper prices rose in anticipation of further economic stimulus measures by China. Reports suggest that China is preparing an over 10 trillion-yuan stimulus program to restore the economy has boosted investor mood. The fiscal stimulus may be authorized at a meeting of China's highest legislative body from November 4 to 8. Investors are also optimistic about China's vow to further boost the electric vehicle industry by contemplating additional EV charging infrastructure. Supply-side factors indicate a stable copper output, with China's refined copper production reaching 1.14 million metric tons in September, a slight increase from the previous year. China's October PMI reports due later this week could shed light on the impact of Beijing's recent stimulus measures. Gathering of China's highest legislative body from November 4 to 8 will be widely observed. The outcome of the Nov. 5 U.S. Presidential election, which might result in broad import tariffs if Donald Trump wins, is also in the spotlight.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	806	0.7%
Aluminium	2409	-0.5%
Nickel	1369	-0.2%
Lead	178	-0.2%
Zinc	290	0.8%

Inventory		Current	W/W Chg.	Units
Copper	LME	274225	-2550	MT
	Shanghai	163075	-5350	MT
Aluminum	LME	743700	-5000	MT
	Shanghai	283289	79	MT
Nickel	LME	146154	10632	MT
	Shanghai	26227	-78	MT
Lead	LME	189050	-1425	MT
	Shanghai	55504	-731	MT
Zinc	LME	243325	900	MT
	Shanghai	78098	-1979	MT

Energy

Oil extended losses following its biggest drop in more than two years as signs of a potential de-escalation of Israel's Lebanon offensive offset the prospect of more stimulus in China. Prices however did receive a boost after the US government said it was seeking up to 3 Mbs of oil from SPR next year, bringing a new substantial buyer into market. Following limited strike on military facilities within Iran, Israel's Prime Minister, Netanyahu, said he plans to hold a meeting about a diplomatic solution to the war in Lebanon. He is also open to a short truce with Hamas that would lead to release of small number of around 100 hostages still held by the Iran-backed militant group in Gaza. The prospect of a ceasefire in Gaza and apparent de-escalation of tensions across the broader Middle East has seen the market almost completely remove the geopolitical risk premium it had priced into market last week. In another sign that war risk is fading, premium of bullish oil call options over the opposite puts has narrowed sharply. A gauge of implied volatility for Brent also fell to the lowest in almost a month. Focus today is on US GDP, ADP private payroll data and EIA inventory data.

Energy	Close (\$)	%Chg.
WTI Crude oil	67.46	0.0%
Natural gas	2.92	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	113773	-15880
Natural Gas	-130407	-50976

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		
-24.8%	392	416	2163	77000	502.5	2568	1251	16.3%	
6.3%	17	22	1795	77500	661.5	223	151	18.9%	
-37.1%	949	2961	1574	78000	813.5	2994	1373	46.5%	
-45.6%	106	967	1327.5	78500	1032.5	172	67	123.3%	
-14.7%	969	4259	1087	79000	1250.5	1155	441	188.2%	
33.8%	91	338	902.5	79500	1072	0	0	0.0%	
-0.5%	1043	5655	734.5	80000	1808	41	34	126.7%	
18.4%	45	59	474	80500	1722	0	0	0.0%	
32.7%	662	2580	444.5	81000	2103.5	0	2	0.0%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
120.5%	258	499	389.2	5400	81.2	45987	2059	12.5%	
27.6%	37	26	350.2	5450	96	18195	669	4.7%	
68.5%	1473	10348	317.9	5500	113.4	68849	4069	20.0%	
73.2%	71	1635	286.5	5550	133.6	23654	533	47.6%	
28.0%	6531	55680	254.4	5600	155	97022	5384	24.5%	
125.9%	1351	23035	227.8	5650	179.2	52866	1352	63.7%	
76.7%	15188	196782	203.6	5700	206.7	166868	6179	14.5%	
69.4%	4379	56650	181.1	5750	235.1	30554	901	-9.4%	
40.4%	16069	132152	158.2	5800	266.4	56341	6630	-0.2%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-12.3%	136	266	34.25	210	4.15	13022	2224	54.1%	
13.1%	303	2092	27.05	220	6.8	16385	1983	18.5%	
2.5%	644	9072	21	230	10.5	20457	2278	39.6%	
16.8%	167	8101	18.4	235	12.7	14287	833	94.6%	
36.7%	2649	36244	15.95	240	255	26428	3314	39.4%	
5.6%	732	10923	13.9	245	18	5336	1208	14.1%	
-11.4%	3687	24405	12	250	20.85	6376	1679	-20.7%	
-1.1%	2611	15671	8.85	260	27.5	1449	398	-12.7%	
-12.2%	2827	9672	6.55	270	34.65	71	550	2.4%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Oct	6,565	6,516	6,540	6,583	6,607	6,650	Bearish	Moderate	6528 - 6595
Cocudakl	NCDEX	Dec	2,978	2,902	2,940	2,965	3,003	3,028	Bearish	Moderate	2953 - 3016
Cotton	NCDEX	Nov	56,010	55,697	55,853	55,977	56,133	56,257	Bearish	Moderate	55775 - 56055
Dhaniya	NCDEX	Oct	7,242	7,125	7,183	7,225	7,283	7,325	Bearish	Moderate	7204 - 7304
Jeera	NCDEX	Oct	24,280	23,830	24,055	24,325	24,550	24,820	Bearish	Moderate	23943 - 24438
Guar Seed	NCDEX	Oct	5,288	5,218	5,253	5,281	5,316	5,344	Bearish	Moderate	5236 - 5299
Guar Gum	NCDEX	Oct	10,657	10,494	10,576	10,631	10,713	10,768	Bearish	Moderate	10604 - 10741
Mentha Oil	MCX	Oct	928	923	925.40	930	932	936	Bearish	Moderate	924 - 931
Turmeric	NCDEX	Oct	13,178	12,945	13,061	13,127	13,243	13,309	Bearish	Moderate	13094 - 13276

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	79233	78397	78815	79048	79466	79699	Bullish	Moderate	78932 - 79583
Gold Comex	Comex	Oct	2744	2719	2731	2738	2751	2758	Bullish	High	2735 - 2755
Silver	MCX	Dec	98730	96382	97556	98444	99618	100506	Bullish	High	98000 - 100062
Silver Comex	Comex	Nov	34.28	33.64	33.96	34.18	34.50	34.73	Bullish	High	34 - 35
Crude	MCX	Oct	5668	5545	5606	5690	5751	5835	Bearish	Moderate	5576 - 5721
Crude Nymex	Nymex	Nov	66.81	65.30	66.06	67.07	67.83	68.84	Bearish	Moderate	66 - 67
Nat Gas	MCX	Oct	242	232	237	240	245	248	Bullish	High	238 - 246
BullDex	MCX	Oct	19845	19630	19738	19801	19909	19972	Bullish	Moderate	19770 - 19941
Copper	MCX	Oct	845.20	828	837	843	851	857	Flat	Moderate	840 - 854
Zinc	MCX	Oct	290.45	287	289	291	292	294	Bearish	Moderate	290 - 293
Lead	MCX	Oct	180	178	179	180	181	182	Bearish	Moderate	180 - 181
Aluminum	MCX	Oct	239.60	240	240	240	240	240	Bullish	High	240 - 240

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