



Wednesday, November 06, 2024

Overview

- Gold prices steady amidst US election results trickling in
- Base metal prices dip, strong dollar impacts
- Focus this week will be on US elections, Fed and China meeting.

Precious Metals

Gold prices edged up in yesterday's session as investors braced for political tensions after opinion polls showed Donald Trump and Kamala Harris are neck and neck in the U.S. presidential election where chances of a contested result are high. With a dead heat between Republican Former President Trump and Democratic Vice President Harris and control of the U.S. Congress also at stake, investors are particularly nervy about an unclear or contested result, especially if it fuels unrest. As per the latest polls, former president Trump has taken the lead, however, vice president Harris presence is also felt in few states; counting for a few important states is still going on. We'll have to wait for final result but, if it closes with such close margin, things might go to electoral college. Elsewhere, markets widely anticipate a quarter-point cut from the Federal Reserve in November meet, a further reduction to U.S. interest rates this year after a big cut in September. US ISM non-manufacturing PMI witnessed a jump, giving a slight push to Dollar index. Focus for this week, now turns to Fed policy meeting scheduled tomorrow. Gold on domestic front is expected to trade between the range of 77,600 -78,600.

Precious metals	Close (\$)	%Chg.
Gold	2738.4	-0.2%
Silver	32.23	-1.3%
CFTC data	Speculative Longs	Change WoW
Gold	237075	-5014
Silver	41169	-6191
ETF	Close	%Chg.
GOLD ETF	2024.9	-1.78
Silver ETF	26431	-150.06
Others	Close	%Chg.
DXY	103.42	1.3%
US 10Y Yields	4.45	-0.4%

Base Metals

Copper prices rose in previous trading session as investors gained confidence in the Chinese government's stimulus measures and a slight pullback in the dollar index. The fiscal boost would supplement the PBOC's significant monetary support measures from the previous month, which are believed to have aided the minor recovery in industrial activity announced in October. The Caixin China General Services PMI increased to 52.0 in October 2024, up from September's one-year low of 50.3 and surpassing market forecasts of 50.5, after Beijing launched a series of support measures in late September. This marked the highest reading since July, as new business inflows grew for the first time in four months, with a solid rise in export orders. The U.S. Federal Reserve is forecast to cut interest rates by 25 basis points at its meeting on Nov. 6-7. The US election outcome is a determinant of tariff policies between U.S. and top metals consumer China, and will be important to track its impacts on markets.

Energy

Oil prices settled lower after industry data showed a bigger than expected build in U.S. inventories, while focus remained on potential supply disruptions due to a hurricane in the Gulf of Mexico. Data from the API showed U.S. oil inventories grew 3.1 million barrels in the week to November 1, much more than expectations for a build of 1.8 Mbs. Product inventories gasoline and distillates saw small draws. Markets were also watching the U.S. presidential election and a top political meeting in China for more cues. Tropical Storm Rafael is threatening disruptions at US offshore oil and natural gas platforms, with its path on target to affect about 1.7 million barrels of daily output. Chevron Corp. shut in its production in the US Gulf while Shell Plc is evacuating some non-essential personnel in the area. Injecting more uncertainty, polls suggest the race between Donald Trump and Kamala Harris remains close. The outcome is likely to reshape US trade, foreign, security and climate policies and may hold far-reaching consequences for commodity markets.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	860	0.6%
Aluminium	2430	-0.3%
Nickel	1364	0.6%
Lead	182	-0.1%
Zinc	288	-0.9%

Inventory		Current	W/W Chg.	Units
Copper	LME	272975	-875	MT
	Shanghai	153221	-9854	MT
Aluminum	LME	739400	-2500	MT
	Shanghai	274921	-8368	MT
Nickel	LME	147084	-78	MT
	Shanghai	28864	28	MT
Lead	LME	189275	-175	MT
	Shanghai	56366	862	MT
Zinc	LME	245675	-1500	MT
	Shanghai	76077	-2021	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	71.76	-0.3%
Natural gas	2.70	-4.2%

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	95842	-17931
Natural Gas	-132888	-2481

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%	0	0	2113.5	76500	493	23	26	4.0%
0.8%	361	117	1986.5	77000	555	1724	1157	-4.1%
-13.3%	13	5	1648	77500	712.5	115	104	-13.3%
1.8%	629	1148	1347.5	78000	912	2972	1067	2.8%
4.5%	140	799	1113.5	78500	1172	392	94	28.8%
5.4%	1410	5192	890.5	79000	1436.5	713	571	-6.7%
1.4%	432	365	710.5	79500	1788.5	7	9	-30.8%
7.5%	1720	2962	564	80000	2105.5	48	116	-6.5%
-1.4%	68	36	436.5	80500	2188	0	0	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-13.3%	4546	10629	304.9	5800	69	60776	10944	18.0%
-24.0%	1745	3188	272.7	5850	84.4	25698	5002	15.8%
-14.0%	4608	26211	246.2	5900	104.1	84145	7799	44.9%
-5.6%	1676	10530	220.8	5950	126.3	22166	1777	65.3%
-13.7%	8467	119838	198.5	6000	150.2	131663	9112	41.9%
-16.6%	1563	50290	178.1	6050	178.2	41944	1641	189.9%
-3.8%	6147	108434	158.6	6100	206.4	71488	3503	110.1%
22.1%	994	21773	142.2	6150	238.4	5427	286	153.1%
41.2%	4534	56723	127.3	6200	273.2	13030	1484	67.5%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
0.0%	30	0	40.3	195	2.15	5150	2033	-32.2%
-3.6%	53	15	30.45	205	4.25	12268	875	-58.5%
-16.9%	255	761	24	215	7.55	19130	1885	-25.0%
2.7%	2428	12693	20.95	220	9.65	47065	5061	4.1%
-29.2%	644	13287	17.95	225	255	26455	921	-41.7%
72.5%	4067	52321	15.4	230	15.05	60089	3986	28.4%
158.2%	2928	43972	13.1	235	18.2	35161	1441	82.6%
66.9%	2094	21389	9.15	245	25.75	4897	1021	-1.6%
76.4%	1985	16490	6.45	255	31.65	174	166	9.9%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Nov	6,524	6,479	6,501	6,524	6,546	6,569	Bearish	Moderate	6513 - 6558
Cocudakl	NCDEX	Dec	2,971	2,940	2,955	2,974	2,989	3,008	Bearish	Moderate	2948 - 2982
Cotton	NCDEX	Nov	55,470	53,143	54,307	55,053	56,217	56,963	Bearish	Moderate	54680 - 56590
Dhaniya	NCDEX	Nov	7,214	7,123	7,169	7,209	7,255	7,295	Bearish	Moderate	7146 - 7232
Jeera	NCDEX	Nov	23,885	23,518	23,702	23,843	24,027	24,168	Bearish	Low	23773 - 24098
Guar Seed	NCDEX	Nov	5,197	5,154	5,176	5,200	5,222	5,246	Bearish	Moderate	5165 - 5211
Guar Gum	NCDEX	Nov	10,539	10,447	10,493	10,546	10,592	10,645	Bearish	Moderate	10470 - 10569
Mentha Oil	MCX	Nov	930	918	924.03	932	939	947	Bearish	Moderate	921 - 935
Turmeric	NCDEX	Dec	12,842	12,598	12,720	12,872	12,994	13,146	Bearish	Moderate	12796 - 13070

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	78507	77966	78236	78462	78732	78958	Bearish	Moderate	78349 - 78845
Gold Comex	Comex	Nov	2740	2742	2741	2742	2742	2743	Bearish	Moderate	2741 - 2742
Silver	MCX	Dec	94648	93247	93947	94640	95340	96033	Bearish	Moderate	94294 - 95687
Silver Comex	Comex	Dec	32.78	32.03	32.40	32.73	33.10	33.43	Flat	Moderate	33 - 33
Crude	MCX	Nov	6054	5953	6004	6061	6112	6169	Bullish	High	6033 - 6141
Crude Nymex	Nymex	Dec	71.56	70.20	70.88	71.54	72.22	72.88	Bullish	Moderate	71 - 73
Nat Gas	MCX	Nov	226	217	222	230	234	242	Bearish	Moderate	220 - 232
BullDex	MCX	Nov	19536	19393	19464	19515	19586	19637	Bearish	Moderate	19490 - 19612
Copper	MCX	Nov	859.55	852	856	858	862	865	Bullish	High	857 - 864
Zinc	MCX	Oct	287.85	283	285	287	289	291	Bearish	Moderate	286 - 290
Lead	MCX	Nov	182	181	181	182	182	183	Strong	Low	181 - 182
Aluminum	MCX	Oct	243.40	240	242	243	245	246	Bullish	High	242 - 245

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