



Friday, November 22, 2024

Overview

- Gold prices on track for weekly gains on safe haven buying
- Natural gas extends rally on inventory withdrawal
- Focus today- Manufacturing and Services PMI from major economies

Precious Metals

Gold prices gained on fears of an escalation in the conflict drove traders towards gold, helping the yellow metal recover after it plummeted from record highs over the past two weeks. The escalation in the Russia-Ukraine war boosted demand from investors seeking haven assets, and supported by dovish commentary from central bankers. The Federal Reserve's Goolsbee said he sees interest rates moving a fair bit lower over roughly the next year. The Fed's Susan Collins said more interest rate cuts needed but policymakers should proceed carefully to avoid moving too quickly or too slowly. Gold gave back some of the early gains after US jobless claims unexpectedly fell, raising concerns of a slower rate cutting cycle. Traders were seen scaling back expectations for a December rate cut. Forecast showed traders pricing in a 57.3% chance for a 25 basis point cut in Dec, compared to a 85.7% chance seen last week. Bets on a hold rose to 42.7% from 14.3% a week ago.

Precious metals	Close (\$)	%Chg.
Gold	2685.4	0.6%
Silver	30.96	0.6%
CFTC data	Speculative Longs	Change WoW
Gold	197362	-24385
Silver	24061	-9012
ETF	Close	%Chg.
GOLD ETF	2017.5	-1.08
Silver ETF	26431	0.00
Others	Close	%Chg.
DXY	106.97	0.1%
US 10Y Yields	4.41	0.6%

Base Metals

Copper prices climbed as supply fears arose following Peru's 1.2% year-on-year drop in September copper output to 232,423 metric tons. The Peruvian government has also reduced its 2024 production prediction to 2.8 million tons from 3 million tons earlier this year. However, geopolitical anxieties over Russia have eased marginally, with guarantees of no nuclear conflict easing investor nerves. Copper imports in October climbed by 1.1% year on year to 506,000 metric tons, owing to seasonal demand and reducing local inventories. Year-to-date imports increased by 2.4% to 4.6 million tons. In response to concerns about potential tariff increases in the United States, China's commerce ministry has implemented measures to encourage global trade. The policies include promoting agricultural exports, stabilizing the yuan, and increasing export finance. With US President-elect Donald Trump imposing heavy tariffs on Chinese imports, manufacturers are apprehensive about potential trade disruptions.

Energy

Natural gas extended the week's sharp rally, with prices touching, a 1-year nearest future high amid an unexpected decline in weekly EIA natural gas supplies was bullish for prices when the EIA reported natural gas inventories the week ended November 15 fell -3 bcf when expectations were for an increase of +1 bcf. In addition, outlook for sharply colder temperatures toward end of month that will boost heating demand for natural gas is pushing prices sharply higher. Meanwhile, prices got further support from European natural gas prices touching 1-year high on an escalation of the Ukraine-Russia conflict after Russia launched long-range missiles into Ukraine. US also sanctioned Gazprombank, the last major Russian financial institution some central European countries use to pay for the gas they still buy from Russia, which increases the risk of a cut off of some of remaining Russian natural gas flows to Europe. Oil rose above \$70 a barrel to settle at the highest in almost two weeks on signs that the Russia-Ukraine conflict is escalating further. Currently, geopolitical risks are floating between potential bullish supply disruption risk in Mideast and Russia-Ukraine, and the more bearish potential from impending Trump administration that may usher in trade tariffs and deregulation.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	824	0.8%
Aluminium	2450	0.3%
Nickel	1353	0.0%
Lead	181	-0.4%
Zinc	281	0.3%

Inventory		Current	W/W Chg.	Units
Copper	LME	272625	775	MT
	Shanghai	130465	-9197	MT
Aluminum	LME	711050	-350	MT
	Shanghai	233681	-35713	MT
Nickel	LME	158046	-1362	MT
	Shanghai	27594	-125	MT
Lead	LME	275800	-250	MT
	Shanghai	73343	7045	MT
Zinc	LME	264625	-3700	MT
	Shanghai	90661	17996	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	70.50	0.4%
Natural gas	3.56	4.4%

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	125942	-18043
Natural Gas	-137304	8643

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	
-8.5%	86	90	1643	74500	43	2064	503	14.6%
-16.5%	882	1620	1166.5	75000	65.5	13082	2436	-6.4%
-36.1%	212	1220	819	75500	116	8985	1515	52.3%
-16.1%	1506	14626	532	76000	231	22846	2006	108.1%
50.7%	826	17367	322.5	76500	422.5	10177	744	622.3%
76.8%	4619	36462	183.5	77000	672	3512	520	27.5%
25.7%	367	4196	117	77500	1052	74	64	-14.7%
-11.3%	2061	14066	78.5	78000	1445	430	589	-6.5%
14.0%	513	1082	55	78500	2054.5	2	21	-8.7%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-15.1%	3547	11472	266.9	5700	111.3	65462	8117	5.3%
7.2%	775	5600	238.3	5750	128.9	23964	2265	79.5%
-11.2%	8123	70579	211.1	5800	146.7	107739	8190	23.0%
-44.1%	1408	28807	189.8	5850	169.6	35179	1319	58.9%
-26.7%	6325	145332	165.6	5900	193.5	138956	4909	33.5%
55.0%	2460	41950	145.4	5950	220	17699	414	0.0%
-11.5%	8886	122922	126.2	6000	248.6	50191	2286	57.4%
17.6%	2722	23162	109.8	6050	278.8	1081	113	276.7%
-7.0%	4590	52369	95.6	6100	312.6	4814	637	116.7%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-7.8%	3238	929	23.55	245	0.05	11294	6637	-13.0%
-25.9%	1719	2595	14.8	255	0.05	17687	3727	-32.1%
-35.7%	2550	9691	7.85	265	0.1	30061	1540	-50.3%
-60.3%	2676	35008	5.2	270	0.15	62831	2789	-22.0%
-65.9%	970	52115	3.2	275	255	53030	2463	426.3%
-67.7%	1952	129671	1.8	280	1.75	125266	1570	150.0%
-43.2%	1752	159310	0.95	285	6.6	121737	1751	3402.0%
37.9%	1476	80382	0.25	295	16.75	40750	338	0.0%
819.7%	3366	43458	0.15	305	26.25	39	11	0.0%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Dec	6,590	6,555	6,572	6,593	6,610	6,631	Bearish	Moderate	6564 - 6602
Cocudakl	NCDEX	Dec	2,734	2,682	2,708	2,724	2,750	2,766	Bearish	Low	2716 - 2758
Cotton	NCDEX	Jan	55,870	55,157	55,513	55,957	56,313	56,757	Bearish	Moderate	55335 - 56135
Dhaniya	NCDEX	Dec	7,856	7,445	7,651	7,789	7,995	8,133	Bearish	Moderate	7720 - 8064
Jeera	NCDEX	Nov	25,215	24,732	24,973	25,292	25,533	25,852	Bearish	Moderate	24853 - 25413
Guar Seed	NCDEX	Dec	5,209	5,166	5,187	5,206	5,227	5,246	Bearish	Moderate	5189 - 5229
Guar Gum	NCDEX	Dec	10,346	10,259	10,302	10,354	10,397	10,449	Bearish	Moderate	10328 - 10423
Mentha Oil	MCX	Dec	928	918	922.90	930	935	942	Bearish	Moderate	920 - 932
Turmeric	NCDEX	Dec	14,352	14,016	14,184	14,338	14,506	14,660	Bullish	High	14100 - 14422

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	76693	75880	76286	76526	76932	77172	Flat	Moderate	76406 - 77052
Gold Comex	Comex	Nov	2672	2655	2664	2664	2672	2673	Flat	Moderate	2664 - 2673
Silver	MCX	Dec	89925	88522	89224	90075	90777	91628	Flat	Moderate	88873 - 90426
Silver Comex	Comex	Dec	30.94	30.35	30.65	31.01	31.31	31.68	Bearish	Moderate	30 - 31
Crude	MCX	Dec	5905	5764	5835	5896	5967	6028	Strong	Moderate	5866 - 5998
Crude Nymex	Nymex	Dec	69.77	68.02	68.90	69.49	70.37	70.96	Strong	Moderate	69 - 71
Nat Gas	MCX	Nov	278	259	269	280	290	301	Bullish	High	275 - 296
BullDex	MCX	Nov	18936	18829	18883	18936	18990	19043	Flat	Moderate	18910 - 19017
Copper	MCX	Nov	824.45	809	817	824	831	838	Bullish	High	820 - 835
Zinc	MCX	Nov	280.55	275	278	279	282	284	Flat	Moderate	278 - 283
Lead	MCX	Nov	181	178	179	181	182	183	Strong	Low	179 - 181
Aluminum	MCX	Nov	245.40	242	244	245	247	248	Bullish	High	244 - 247

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