



Tuesday, November 05, 2024

## Overview

- Chinese markets were supported by strong business activity data.
- Focus this week will be on US elections, Fed and China meeting.
- Federal Reserve is also widely expected to cut interest rates later this week.

## Precious Metals

Gold prices edged up, as U.S. election uncertainty loomed with markets pricing in chances of a contested result and political tensions, while investors also kept a close tab on the Federal Reserve policy meeting later this week. The U.S. presidential election is scheduled today, with opinion polls showing Democratic Candidate Kamala Harris and Republican Donald Trump neck and neck in the race to the White House; leaving the outcome of the U.S. presidential race uncertain and potentially unconfirmed for days after voting ends. The dollar index was down 0.4%, hitting a two-week low on the back of weak jobs market data reported last week. Most of the economic data last week was positive however, weakness in the labor market increased markets optimism regarding a quarter point rate cut in November meet, second cut for this year. On data front, factory orders data was reported in the negative but better than the previous month further weighing on prices. Focus today will be on US services PMI data. Gold on domestic front is expected to trade between the range of 77,600 - 78,600.

Precious metals	Close (\$)	%Chg.
Gold	2728.9	-0.3%
Silver	32.37	-0.3%
CFTC data	Speculative Longs	Change WoW
Gold	237075	-5014
Silver	41169	-6191
ETF	Close	%Chg.
GOLD ETF	2026.6	7.81
Silver ETF	26581	-51.50
Others	Close	%Chg.
DXY	103.89	0.0%
US 10Y Yields	4.29	-1.3%

## Base Metals

Copper prices climbed to two-week highs after the dollar fell on expectations of interest rate cuts in the United States and as the market awaited the outcome of the U.S. presidential election this week. The US election outcome is a determinant of tariff policies between U.S. and top metals consumer China. The U.S. Federal Reserve is forecast to cut interest rates by 25 basis points at its meeting on Nov. 6-7, according to analysts who expect further reductions over the coming months. Rate cut expectations along with weak labor market data is weighing on Dollar index, supporting industrial metals. Manufacturing activity in top consumer China swung back to growth in October as an expansion in new orders led to a pick-up in production growth, signaling improvement in the sector. Services PMI in China was also reported better than expectations supporting prices. In China, a major metals consumer, the Standing Committee of the National People's Congress is meeting from Nov. 4-8, with widespread market anticipation for the approval of additional fiscal stimulus measures.

## Energy

Natural gas prices recovered from early losses and rallied sharply as short covering emerged on forecasts for colder US temperatures, which could boost heating demand for natural gas. For crude oil, prices climbed after OPEC+ agreed to push back its Dec production increase and Iran outlined possible response to Israel's recent bombardment. Saudi Arabia and its allies delayed series of monthly output hikes until early next year, a move anticipated by many traders amid an impending glut. Looking ahead, delay casts doubt on 2025 supply hikes, quelling speculation of potential price war. Meanwhile, Iran escalated its rhetoric, with supreme leader Khamenei warning of a crushing response to Israel's recent strike. The WSJ reported that Tehran told allies attack would come after US presidential vote, but before January's inauguration, and it would not be limited to missiles and drones. Elsewhere, Tropical Storm Rafael threatens to menace offshore oil and natural gas production areas in western Gulf of Mexico. The oil market has number of other key events on the horizon this week, such as meeting of China's top legislative body. Saudi Aramco is scheduled to release its OSP for Dec, with producer expected to lower its rates for Asia.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	853	3.9%
Aluminium	2420	0.0%
Nickel	1356	0.0%
Lead	182	-0.4%
Zinc	283	-2.8%

Inventory		Current	W/W Chg.	Units
Copper	LME	273850	2475	MT
	Shanghai	153221	-9854	MT
Aluminum	LME	741900	5700	MT
	Shanghai	274921	-8368	MT
Nickel	LME	147162	342	MT
	Shanghai	28836	1832	MT
Lead	LME	189450	-150	MT
	Shanghai	56366	862	MT
Zinc	LME	247175	100	MT
	Shanghai	76077	-2021	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	71.55	-0.1%
Natural gas	2.79	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	2508	76500	450	6	25	4.2%	
-7.5%	358	152	2336	77000	580.5	2048	1207	24.8%	
-6.3%	15	1	1733.5	77500	742	151	120	-5.5%	
-1.7%	618	1105	1650	78000	950	3630	1038	0.4%	
57.6%	134	599	1355.5	78500	1217.5	376	73	-15.1%	
28.0%	1338	3776	1109.5	79000	1473	662	612	5.5%	
3.1%	426	469	889	79500	1813	14	13	-13.3%	
11.3%	1600	2768	707	80000	2190.5	101	124	0.8%	
30.2%	69	81	463	80500	2289.5	0	0	0.0%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-11.3%	5244	26055	283.5	5800	87.6	107962	9277	7.5%	
-5.3%	2297	15237	253.4	5850	105	45069	4319	176.2%	
-9.2%	5358	66385	228.5	5900	127.7	119153	5384	28.5%	
-8.3%	1775	33462	203.9	5950	151.4	36639	1075	107.1%	
5.7%	9814	197113	183.8	6000	177.3	168250	6422	77.6%	
45.5%	1874	45216	163.6	6050	207.2	22882	566	140.9%	
15.5%	6389	93980	147	6100	237.6	34875	1667	15.0%	
42.8%	814	20789	132.1	6150	272.3	2942	113	43.0%	
11.8%	3210	55596	119	6200	305.9	5287	886	22.4%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
80.5%	74	137	36.95	190	1.2	10643	1982	17.9%	
13.9%	360	886	29.8	200	2.3	28079	5741	82.1%	
64.8%	346	6192	22.95	210	4.4	31410	2942	86.2%	
597.7%	307	7231	20.2	215	5.9	26668	2515	598.6%	
172.7%	2364	43921	17.2	220	255	51632	4861	97.1%	
216.7%	909	25239	14.65	225	9.6	26710	1581	101.9%	
-3.0%	2357	59281	12.55	230	12	32593	3104	37.9%	
-29.4%	4984	46679	9.05	240	17.6	8982	2883	-17.4%	
-15.0%	4758	33094	6.35	250	24.25	2034	1291	-10.9%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Nov	6,534	6,448	6,491	6,556	6,599	6,664	Bearish	Moderate	6470 - 6578
Cocudakl	NCDEX	Dec	2,975	2,875	2,925	2,965	3,015	3,055	Bearish	Moderate	2945 - 3035
Cotton	NCDEX	Nov	55,840	55,547	55,693	55,847	55,993	56,147	Bearish	Moderate	55620 - 55920
Dhaniya	NCDEX	Nov	7,204	7,057	7,131	7,203	7,277	7,349	Bearish	Moderate	7094 - 7240
Jeera	NCDEX	Nov	23,825	22,675	23,250	23,675	24,250	24,675	Bearish	Moderate	23463 - 24463
Guar Seed	NCDEX	Nov	5,236	5,151	5,194	5,232	5,275	5,313	Bearish	Moderate	5213 - 5294
Guar Gum	NCDEX	Nov	10,595	10,360	10,477	10,589	10,706	10,818	Bearish	Low	10533 - 10762
Mentha Oil	MCX	Nov	938	928	932.80	941	946	954	Bullish	High	937 - 950
Turmeric	NCDEX	Dec	12,732	12,216	12,474	12,682	12,940	13,148	Bearish	Moderate	12578 - 13044

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	78422	78012	78217	78443	78648	78874	Bearish	Moderate	78115 - 78546
Gold Comex	Comex	Nov	2736	2736	2736	2737	2737	2737	Bearish	Moderate	2736 - 2737
Silver	MCX	Dec	94284	92973	93629	94406	95062	95839	Bearish	Moderate	93301 - 94734
Silver Comex	Comex	Dec	32.61	32.09	32.35	32.67	32.93	33.26	Bearish	Moderate	33 - 33
Crude	MCX	Nov	6024	5894	5959	6003	6068	6112	Bullish	High	5981 - 6090
Crude Nymex	Nymex	Dec	71.03	69.22	70.13	70.74	71.65	72.26	Bullish	High	70 - 72
Nat Gas	MCX	Nov	234	212	223	229	240	246	Bearish	Moderate	226 - 243
BullDex	MCX	Nov	19480	19393	19437	19494	19538	19595	Bearish	Moderate	19415 - 19516
Copper	MCX	Nov	852.70	844	848	851	856	859	Bullish	High	850 - 857
Zinc	MCX	Oct	283.40	278	280	285	288	292	Bearish	Moderate	279 - 286
Lead	MCX	Nov	182	181	181	182	183	184	Strong	Low	181 - 183
Aluminum	MCX	Oct	240.90	237	239	240	242	243	Bearish	Moderate	240 - 243

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