



Friday, November 08, 2024

Overview

- Fed cut interest rates by 25 bps, in line with expectations
- Base metals gained on stimulus optimism
- Focus will be on China NPC meeting outcome.

Precious Metals

Gold prices edged higher, rebounding after the previous session's steep losses amidst rate cut expectations from the Fed and reassessed the potential for geopolitical tensions during Donald Trump presidency. Bullions had notched up a series of record highs in the run-up to the elections, but tumbled more than 3% after Trump's victory, on the back of dollar rally to four-month highs. Quick conclusion to a hotly contested presidential election also cleared a key point of uncertainty for global financial markets, triggering a risk-on rally across the board, while pressuring safe-haven assets such as gold. Trump ran a campaign vowing to increase trade tariffs on China, which could trigger a renewed trade war between the world's biggest economies. On data front, weekly jobless claims were reported lower than expectations weighing on prices. The Federal Reserve cut its benchmark interest rate by a quarter point, second cut for this year, as its chair Jay Powell hailed the strength of the US economy and said he would not resign if incoming president Donald Trump asked him to. Focus now shifts to Michigan consumer sentiment and updates regarding China legislative congress meet. Gold on domestic front is expected to trade between the range of 76,800 -77,800.

Precious metals	Close (\$)	%Chg.
Gold	2697.4	-0.4%
Silver	31.74	-0.8%
CFTC data	Speculative Longs	Change WoW
Gold	237075	-5014
Silver	41169	-6191
ETF	Close	%Chg.
GOLD ETF	2037.2	12.34
Silver ETF	26431	0.00
Others	Close	%Chg.
DXY	104.51	0.0%
US 10Y Yields	4.34	-1.9%

Base Metals

Copper prices climbed, recovering some of their losses from the previous session, as expectations grew that prospective US tariffs on Chinese exports would lead Beijing to implement more aggressive stimulus measures. Data indicated that China's trade surplus increased more than expected in October, with exports rising and imports falling. These data fueled hopes that China's economic recovery would acquire traction, further bolstering copper prices. Chinese Premier Li Qiang has reaffirmed confidence in reaching the nation's GDP target, aided by policy measures, while recent data showing an expansion in manufacturing activity in October suggests that stimulus efforts are aiding economic recovery. On the supply front, Chilean state miner Codelco reported a 4.9% decline in copper output from January to September, totalling 918,000 metric tons. Dollar slightly paused its upward rally following the Fed's decision to reduce the fed funds rate by 25 bps, as expected. Investors were also waiting for developments from the National People's Congress standing committee, which is considering raising local government debt to enhance spending.

Energy

Oil prices traded lower, weighed by a surge in the dollar after Republican Donald Trump was elected president as well as a bigger than expected build in U.S. inventories. Reports suggest that President Trump may be net bearish for crude prices on prospects for higher production and new tariffs that may further crimp China's economy. China's National People Congress is in middle of a four-day meeting this week, and is widely expected to outline plans for fiscal spending in the coming months to boost economic growth. Beijing had announced a string of aggressive stimulus measures over the past month, with NPC meeting set to provide more insight on fiscal front. Data released earlier this week showed that Chinese imports shrank 2.3% y-o-y in Oct, more than expectations for 1.5% drop and reversing course from a 0.3% increase in the prior month. On the weather front, Hurricane Rafael slammed Cuba with Category 3 winds, though the system expected to weaken. Natural gas prices retreated after weekly EIA supplies rose more than expected. The EIA reported that nat-gas inventories for the week of November 1 rose +69 bcf, which was above expectations of +68 bcf and more than twice the five-year average for this time of year of +32 bcf.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	850	-4.0%
Aluminium	2470	-1.3%
Nickel	1360	-0.5%
Lead	182	-0.3%
Zinc	285	-3.3%

Inventory		Current	W/W Chg.	Units
Copper	LME	272525	-25	MT
	Shanghai	153221	-9854	MT
Aluminum	LME	734400	-2500	MT
	Shanghai	274921	-8368	MT
Nickel	LME	147258	-18	MT
	Shanghai	28392	-251	MT
Lead	LME	188025	-275	MT
	Shanghai	56366	862	MT
Zinc	LME	245225	-100	MT
	Shanghai	76077	-2021	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	71.93	-0.4%
Natural gas	2.71	-2.0%

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	95842	-17931
Natural Gas	-132888	-2481

MT- Metric Ton, MNBL – Million Barrel, BCF –Billion Cubic Feet.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

Options Monitor

MCX Gold Mini

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-2.7%	289	223	1978.5	75000	186.5	4618	1594	21.4%
0.0%	6	0	1686	75500	312.5	16	15	0.0%
6.3%	289	1802	1351.5	76000	364.5	9362	1527	72.9%
27.3%	28	280	1123.5	76500	519	570	111	14.4%
-30.1%	723	7993	828.5	77000	709.5	4028	1103	29.6%
61.5%	126	765	638.5	77500	936.5	298	102	-5.6%
-29.9%	1820	10159	486	78000	1223	944	875	-7.8%
-3.4%	344	616	384.5	78500	1668.5	24	31	-11.4%
-11.6%	2398	4236	285.5	79000	1925	150	503	-2.1%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-16.4%	4324	104355	245.1	5900	49.4	228321	13811	8.8%
-0.6%	1418	50667	215.3	5950	63.1	105411	9573	23.2%
-4.9%	8971	361101	189.3	6000	82.2	358743	17674	30.6%
6.1%	2331	108665	166.6	6050	105.3	93083	3337	16.7%
8.7%	7998	229458	145.1	6100	129.7	151609	6212	56.1%
11.2%	1868	66883	126.8	6150	158.4	17942	726	41.0%
5.5%	5680	146514	109.6	6200	189.8	32064	2102	12.3%
31.7%	2003	38081	95.7	6250	224.1	224	91	26.4%
78.8%	4850	86797	84.2	6300	260.3	3701	606	-8.0%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-3.2%	30	2	35.6	195	1.45	3419	1585	-17.4%
0.0%	50	1	28.65	205	3	11635	1526	-3.0%
91.1%	428	3626	22.35	215	5.95	24615	2216	15.0%
16.9%	2961	20757	18.9	220	7.95	43576	5638	-7.4%
42.5%	1243	28382	16.05	225	255	30768	2028	2.1%
80.0%	6273	61493	13.5	230	13.3	52277	4373	13.2%
75.5%	3998	41666	11.35	235	16.4	19656	1236	3.5%
17.0%	3763	20574	7.75	245	23.85	3371	1021	-1.4%
-17.7%	1215	14081	5.35	255	31.7	44	120	-16.1%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Nov	6,606	6,555	6,581	6,614	6,640	6,673	Bearish	Moderate	6568 - 6627
Cocudakl	NCDEX	Dec	2,988	2,897	2,942	2,970	3,015	3,043	Bearish	Moderate	2956 - 3029
Cotton	NCDEX	Nov	56,050	55,670	55,860	56,010	56,200	56,350	Bearish	Moderate	55765 - 56105
Dhaniya	NCDEX	Nov	7,148	7,028	7,088	7,134	7,194	7,240	Bearish	Moderate	7111 - 7217
Jeera	NCDEX	Nov	25,320	24,507	24,913	25,207	25,613	25,907	Bearish	Moderate	25060 - 25760
Guar Seed	NCDEX	Nov	5,171	4,989	5,080	5,131	5,222	5,273	Bearish	Moderate	5106 - 5248
Guar Gum	NCDEX	Nov	10,516	10,125	10,321	10,470	10,666	10,815	Bearish	Low	10396 - 10741
Mentha Oil	MCX	Nov	916	903	909.13	920	926	937	Bearish	Moderate	906 - 923
Turmeric	NCDEX	Dec	13,092	12,833	12,963	13,179	13,309	13,525	Flat	Moderate	12898 - 13244

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	77411	75898	76654	77057	77813	78216	Bearish	Moderate	76856 - 78015
Gold Comex	Comex	Nov	2698	2650	2674	2687	2711	2723	Bearish	Moderate	2680 - 2717
Silver	MCX	Dec	92313	89136	90724	91625	93213	94114	Bearish	Moderate	91175 - 93664
Silver Comex	Comex	Dec	31.86	30.39	31.12	31.69	32.43	33.00	Bearish	Moderate	31 - 33
Crude	MCX	Nov	6129	5908	6019	6078	6189	6248	Bullish	High	6049 - 6219
Crude Nymex	Nymex	Dec	71.96	69.41	70.68	71.55	72.82	73.69	Bullish	Moderate	71 - 73
Nat Gas	MCX	Nov	227	218	223	229	233	239	Bearish	Moderate	220 - 231
BullDex	MCX	Nov	19197	18826	19011	19116	19301	19406	Bearish	Moderate	19064 - 19354
Copper	MCX	Nov	849.90	826	838	845	857	863	Bullish	High	841 - 860
Zinc	MCX	Oct	284.95	278	282	284	288	290	Flat	Moderate	283 - 289
Lead	MCX	Nov	182	181	181	182	183	183	Bearish	Moderate	181 - 182
Aluminum	MCX	Oct	246.90	239	243	246	250	253	Bullish	High	244 - 251

Navneet Damani

Head Research- Currencies and Commodities

Commodity Disclosure & Disclaimer:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CRCL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

Terms & Conditions:

- This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.
- This material is for the personal information of the authorized recipient and we are not soliciting any action based upon it.
- This report is not to be construed as an offer to sell or solicitation of an offer to buy any commodity or commodity derivative to any person in any jurisdiction where such an offer or solicitation would be illegal.
- It is for the general information of clients of MOFSL. It doesn't constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.
- The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL.
- The report is based on the facts, figures and information that are considered true, correct, reliable and accurate.
- All such information and opinions are subject to change without notice.
- Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
- We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed.
- Neither MOFSL, nor any person connected with it, accepts any liability arising from the use of this document.
- The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the commodity referred to in this material may go up or down. Past performance is not a guide for future performance.
- Certain transactions including those involving commodity derivatives involve substantial risk and are not suitable for all investors.
- Reports based on technical analysis centers on studying charts of a commodity's price movement and trading volume as opposed to focusing on a commodity's fundamentals and as such may not match with a report on a commodity's fundamentals.
- Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject commodity for which Research Team have expressed their views.
- MOFSL or its associates or Research Analyst or his relatives may have Open Position in subject commodity.
- A graph of daily closing prices of commodities is available at <http://www.moneyline.co.in/>
- Opinions expressed are our current opinions as of the date appearing on this material only. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.
- The commodities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.
- This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment.
- The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the commodities mentioned in this document.
- The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein.
- The commodities described herein may or may not be eligible for trade in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
- Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.
- MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may (a) from time to time, have long or short positions in, and buy or sell the commodities mentioned herein or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodity/ (ies) discussed herein or have other potential conflict of interest with respect to any recommendation and related information and opinions. However the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the commodities mentioned in the research report.
- MOFSL and its associates and Research Analyst have not received any compensation or other benefits in connection with the research report. Compensation of Research Analysts is not based on any brokerage transactions generated by broking activities under Motilal Oswal group.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities : Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, FMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp@grievances@motilaloswal.com.