



Thursday, December 05, 2024

## Overview

- US ISM Services PMI falls more than expected
- Oil stabilizes ahead of OPEC+ supply decision
- Metal prices subdued as tariff risks loom
- Focus this week- US employment and payroll data.

## Precious Metals

Gold edged higher after data showed U.S. private payrolls rose at a moderate pace last month, while investors digested remarks from Fed chair Powell and cautiously await looked non-farm payrolls report, scheduled later this week. US Private payrolls rose by 146,000 last months against the expectations of 150k; the previous month's data was also significantly revised from 233k to 184k the ADP report showed. Similarly, US services PMI was reported lower than expectations, US factory too was below estimates but well above the previous month. Governor Powell said the recent performance of the economy will allow the U.S. central bank to be more judicious with the future path of interest rate cuts. U.S. central bankers signaled inflation is gradually heading toward the 2% target, hinting at potential interest rate cuts. Traders are pricing in a 77% chance of a 25-basis-point cut at the Fed's Dec. 17-18 meeting. Safe-haven gold was also supported by global geopolitical unrest, including South Korea's political turmoil, France's government facing collapse, relentless Russian drone strikes in Ukraine and Israel threatening war with Lebanon if its truce with Hezbollah collapsed. Gold on domestic front is expected to trade in a range of ₹76,500- 77,500

Precious metals	Close (\$)	%Chg.
Gold	2646.9	-0.1%
Silver	31.18	-0.3%
CFTC data	Speculative Longs	Change WoW
Gold	198191	7867
Silver	23233	-2663
ETF	Close	%Chg.
GOLD ETF	2000.6	-16.18
Silver ETF	26279	-68.61
Others	Close	%Chg.
DXY	106.32	-0.1%
US 10Y Yields	4.20	-0.9%

## Base Metals

Zinc prices rose, boosted by anticipation of fresh stimulus following China's small factory activity increase in November. A 10.6% drop in Shanghai Futures Exchange zinc inventory provided additional support, indicating tight supply conditions. The reduction in zinc concentrate shortages, combined with historically low smelter production of around 500,000 metric tons in Q3, laid a good foundation for price stability. Meanwhile, the global zinc market posted a deficit of 79,500 metric tons in September, narrowing from an 85,000-ton deficit in August, according to ILZSG data. Rio Tinto forecasted higher mined copper production for fiscal 2025, driven by an anticipated 50% surge in output from its Oyu Tolgoi operation in Mongolia. Upcoming Politburo meeting readings and the Central Economic Working Conference in mid-December will be important to gain cues on economic growth targets and stimulus plans.

## Energy

Oil prices rose ahead of an OPEC+ meeting later in the day, with investors waiting to see what the producer group would do next on supply cuts while also monitoring tension in the Middle East. A larger-than-expected draw in U.S. crude stockpiles last week also provided some support to prices. US oil inventories shrank by a bigger than expected 5.07 million barrels in the final week of November; however, gasoline and distillate stockpiles rose, indicating that overall fuel demand was still cooling in the world's biggest fuel consumer. The OPEC+ had slashed production by over 2 million barrels in the past two years, and is expected to extend to extend the cuts until at least the second quarter of 2025, as pre market expectations. The OPEC+ has consistently cut its forecasts for global demand growth in 2024 and 2025, citing uncertainty over a sluggish economic recovery in China. Israel said it would return to war with Hezbollah if their truce collapses and that its attacks would go deeper into Lebanon and target the state itself. Meanwhile, Donald Trump's Middle East envoy has travelled to Qatar and Israel to kick start the U.S. president-elect's diplomatic push to help reach a Gaza ceasefire and hostage release deal before he takes office on Jan. 20. Focus today will be on Natural Gas storage.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	822	1.6%
Aluminium	2460	0.5%
Nickel	1363	0.8%
Lead	182	0.0%
Zinc	287	0.5%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	268500	-125	MT
	Shanghai	108775	-11461	MT
Aluminum	LME	689725	-975	MT
	Shanghai	227801	-4053	MT
Nickel	LME	164652	222	MT
	Shanghai	27167	-89	MT
Lead	LME	271525	0	MT
	Shanghai	48587	-4209	MT
Zinc	LME	278100	100	MT
	Shanghai	76984	-9156	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	68.64	-0.2%
Natural gas	3.08	0.0%

Inventory ( EIA)	Current	W/W Chg.	Units
Crude oil	423.38	-4.28	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	111604	3472
Natural Gas	-61717	61575

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	
-23.3%	23	15	2777	74000	184	3314	1041	8.6%
0.0%	5	1	2297	74500	268.5	640	236	268.8%
8.0%	403	509	1937	75000	382.5	6345	2157	30.6%
-30.6%	59	252	1636.5	75500	534	1039	310	13.1%
-11.7%	903	5511	1319.5	<b>76000</b>	715.5	11567	2122	45.5%
-24.8%	310	3745	1068.5	76500	943.5	635	108	45.9%
-13.8%	1686	18839	838.5	77000	1205	1824	685	26.6%
7.0%	92	732	647	77500	1581.5	0	5	0.0%
-16.2%	2141	8039	495	78000	1848	138	197	8.2%

## MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
39.2%	401	2428	360.2	5600	40	63604	10518	-10.0%
1.3%	544	979	316.4	5650	49.7	39084	7107	17.7%
18.2%	2697	14781	276.8	5700	64.3	101734	13995	-7.1%
39.3%	883	9226	240.9	5750	81.2	60524	5042	-30.4%
35.5%	7740	89285	205.8	<b>5800</b>	201.6	38	32	-99.9%
149.6%	5833	62289	174.5	5850	125.6	114950	4179	-52.1%
87.0%	19996	265080	146.4	5900	151.4	298279	7964	-38.5%
135.0%	8273	152645	120.7	5950	182.1	112793	2029	-32.4%
38.7%	29005	316391	97.5	6000	214.2	172279	2968	-50.7%

## MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
57.1%	66	178	36.9	230	3.7	11946	3814	47.9%
43.6%	448	1896	26.1	240	6.5	18612	3226	14.0%
62.2%	1781	21113	19.95	250	10.55	30267	3873	11.1%
96.8%	1037	19078	17.45	255	13	24869	2551	11.8%
38.5%	4619	55006	15.2	<b>260</b>	255	28517	2570	-8.4%
-7.8%	2185	15503	13.3	265	18.7	4348	1022	-18.9%
-4.3%	6894	30282	11.6	270	22.05	7913	2647	-30.1%
-2.6%	6732	22175	8.7	280	29.15	1520	1602	-2.9%
15.8%	6317	14343	6.6	290	37.45	270	905	0.6%

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Dec	6,479	6,439	6,459	6,495	6,515	6,551	Bearish	Moderate	6449 - 6505
Cocudakl	NCDEX	Dec	2,690	2,640	2,665	2,680	2,705	2,720	Bearish	Moderate	2673 - 2713
Cotton	NCDEX	Jan	55,390	55,277	55,333	55,367	55,423	55,457	Bearish	Moderate	55350 - 55440
Dhaniya	NCDEX	Dec	7,828	7,712	7,770	7,834	7,892	7,956	Bearish	Moderate	7741 - 7863
Jeera	NCDEX	Nov	24,300	24,007	24,153	24,347	24,493	24,687	Bearish	Moderate	24080 - 24420
Guar Seed	NCDEX	Dec	5,158	5,070	5,114	5,147	5,191	5,224	Bearish	Moderate	5131 - 5208
Guar Gum	NCDEX	Dec	10,191	9,962	10,077	10,148	10,263	10,334	Bearish	Moderate	10113 - 10299
Mentha Oil	MCX	Dec	928	920	924.07	931	934	941	Bullish	Moderate	922 - 933
Turmeric	NCDEX	Dec	13,364	12,916	13,140	13,374	13,598	13,832	Bearish	Moderate	13257 - 13715

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	77092	76385	76738	76984	77337	77583	Strong	Moderate	76861 - 77460
Gold Comex	Comex	Nov	2654	2628	2641	2650	2662	2671	Strong	Low	2645 - 2667
Silver	MCX	Dec	93293	90385	91839	92736	94190	95087	Strong	Moderate	92288 - 94639
Silver Comex	Comex	Dec	31.61	30.40	31.01	31.39	32.00	32.38	Strong	Low	31 - 32
Crude	MCX	Dec	5848	5728	5788	5886	5946	6044	Strong	Low	5758 - 5916
Crude Nymex	Nymex	Dec	68.19	66.84	67.52	68.81	69.49	70.78	Bearish	Moderate	67 - 69
Nat Gas	MCX	Nov	259	249	254	258	263	267	Bearish	Moderate	256 - 265
BullDex	MCX	Nov	18931	18703	18817	18884	18998	19065	Strong	Low	18851 - 19032
Copper	MCX	Nov	821.90	814	818	821	825	828	Strong	Low	819 - 826
Zinc	MCX	Nov	287.40	285	286	287	289	290	Bullish	High	287 - 289
Lead	MCX	Nov	182	181	182	182	183	183	Bullish	Moderate	182 - 183
Aluminum	MCX	Nov	246.00	242	244	245	247	249	Bearish	Moderate	245 - 248

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