



Friday, December 06, 2024

Overview

- OPEC+ postponed supply hike and extended cuts to end of 2026
- Gold prices dipped ahead of US nonfarm payrolls data
- Natural gas inventories fell -30 bcf
- Focus today will be on US hourly earnings and payroll data.

Precious Metals

Gold continue to trade steady despite weakness in in the dollar and ahead of key jobs report due later today. Geo-political unrest continues to increase creating a strong floor for safe haven assets. France's government collapsed, while calls for the impeachment of South Korean President Yoon Suk-Yeol grew after he unsuccessfully attempted to impose martial law in the country. The dollar fell below 106 level after series of weak data points reported from the US. Weekly jobless claims hit a six-week high supported bets that the Fed is likely cut rates again later this month, earlier Us Services PMI and ADP private payroll data was also reported lower than estimates. Governor Powell said that the US economy was stronger that it had appeared in September, when the central bank began cutting rates, allowing policymakers to potentially be a little more cautious in reducing rates further. CME group data suggest that markets are currently pricing in 70% probability for a 25bps cut this month. All eyes today will be on US non-farm payroll and unemployment rate. Gold on domestic front is expected to trade in a range of ₹76,000- 77,000

Precious metals	Close (\$)	%Chg.
Gold	2626.2	-0.2%
Silver	31.18	-0.5%
CFTC data	Speculative Longs	Change WoW
Gold	198191	7867
Silver	23233	-2663
ETF	Close	%Chg.
GOLD ETF	2003.6	2.97
Silver ETF	26413	134.64
Others	Close	%Chg.
DXY	105.71	0.1%
US 10Y Yields	4.18	0.0%

Base Metals

Aluminum prices have been sustained by improved sentiment in factory activity and tight supply conditions. Global producers have offered Japanese buyers premiums of \$230-\$260 per metric ton for January-March 2024 shipments, representing a 31%-49% rise over the current quarter, according to people involved in the matter. The increase reflects tighter supply in Asia, following China's withdrawal of a 13% export tax rebate on semi-manufactured aluminum products. China's aluminium exports increased 17% year on year to 5.5 million tons in the first 10 months of 2024, with October exports alone increasing 31% to 577,000 tons. The People's Bank of China conducted 800 billion yuan (\$111 billion) of outright reverse repurchase agreements in November, according to a statement Friday, exceeding the 500 billion yuan injected last month. It has also been setting the yuan fixing daily, which may help metal prices. 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

Natural Gas Futures initially rallied on the outlook for colder US weather over the country's eastern half, which will boost heating demand. However, gains were limited after EIA report showed a bearish picture with inventories falling by 30 bcf versus expectations of -36 bcf and less than the 5-year average draw for this time of year of -47 bcf. As of November 22, nat-gas inventories were up +5.9% y/y and were +7.8% above their 5-year seasonal average, signaling ample supplies. In Europe, gas storage was 84% full as of December 3, below the 5-year seasonal average of 86% full for this time of year. Oil inched lower in a choppy session after OPEC+ deferred supply increases for three months, but still plans to add barrels next year to a market that is expected to be oversupplied with prices caught in a tight range since mid-October, with volatility ebbing. OPEC+ delay comes against the backdrop of a market that IEA reported be oversupplied next year. Underscoring challenges the producer group faces, seaborne oil flows globally soared in November, and data showed US crude production hit a record above 13.5 Mbpd while US shipments of refined fuel overseas reached the second-highest ever.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	820	-0.1%
Aluminium	2460	0.9%
Nickel	1375	0.9%
Lead	183	0.2%
Zinc	289	0.1%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	270525	2025	MT
	Shanghai	108775	-11461	MT
Aluminum	LME	687125	-2600	MT
	Shanghai	227801	-4053	MT
Nickel	LME	165384	732	MT
	Shanghai	29740	2573	MT
Lead	LME	271375	-150	MT
	Shanghai	48587	-4209	MT
Zinc	LME	277800	-300	MT
	Shanghai	76984	-9156	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	68.19	-0.4%
Natural gas	3.09	1.2%

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	
8.7%	25	7	2774	74000	219.5	2897	1220	17.2%
-20.0%	4	1	2488	74500	339	531	302	28.0%
9.7%	442	615	1986	75000	484	6862	1738	-19.4%
-16.9%	49	90	1650.5	75500	666.5	1448	194	-37.4%
48.9%	1345	4395	1356	76000	898	11442	1419	-33.1%
136.1%	732	3002	1094.5	76500	1159	843	72	-33.3%
127.9%	3842	16533	862.5	77000	1472.5	2234	764	11.5%
114.1%	197	1010	673	77500	1915.5	0	5	0.0%
57.1%	3363	6611	506	78000	2221.5	188	183	-7.1%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
160.6%	1045	13118	283.3	5600	38.9	110994	11227	6.7%
63.1%	887	8315	242.8	5650	50.6	67697	6690	-5.9%
59.3%	4296	75758	209.4	5700	66.6	196767	12967	-7.3%
158.9%	2286	65062	176.9	5750	86	124233	3882	-23.0%
137.0%	18343	347523	147.6	5800	109.3	375374	13613	42440.6%
105.1%	11961	198715	122.5	5850	136	150479	3833	-8.3%
47.4%	29474	290365	98.7	5900	166	180001	6951	-12.7%
5.8%	8755	107368	79.7	5950	200.7	33918	1471	-27.5%
17.5%	34088	214119	62.1	6000	237.1	42317	2783	-6.2%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
27.3%	84	81	32.15	230	2.7	13820	4827	26.6%
26.8%	568	922	24.75	240	5.25	17175	4077	26.4%
-5.4%	1685	10235	19.25	250	9.05	27356	4602	18.8%
-12.7%	905	10975	16.65	255	11.5	16780	1820	-28.7%
-27.0%	3372	52731	14.45	260	255	46957	3071	19.5%
34.3%	2934	30557	12.6	265	17.25	21542	1434	40.3%
-14.3%	5911	39788	10.9	270	20.5	15993	2119	-19.9%
-20.0%	5387	26239	8.05	280	27.7	3934	1487	-7.2%
-15.3%	5349	16331	5.9	290	35.9	426	799	-11.7%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Dec	6,390	6,301	6,345	6,415	6,459	6,529	Bearish	Moderate	6323 - 6437
Cocudakl	NCDEX	Dec	2,690	2,669	2,680	2,692	2,703	2,715	Bearish	Moderate	2675 - 2698
Cotton	NCDEX	Jan	55,630	55,310	55,470	55,660	55,820	56,010	Bearish	Moderate	55390 - 55740
Dhaniya	NCDEX	Dec	7,818	7,754	7,786	7,818	7,850	7,882	Bearish	Moderate	7770 - 7834
Jeera	NCDEX	Nov	23,800	22,900	23,350	24,090	24,540	25,280	Bearish	Moderate	23125 - 24315
Guar Seed	NCDEX	Dec	5,143	5,096	5,120	5,142	5,166	5,188	Bearish	Moderate	5108 - 5154
Guar Gum	NCDEX	Dec	10,164	10,050	10,107	10,157	10,214	10,264	Bearish	Moderate	10079 - 10186
Mentha Oil	MCX	Dec	930	924	926.80	931	933	937	Bullish	High	929 - 935
Turmeric	NCDEX	Dec	13,214	13,070	13,142	13,252	13,324	13,434	Bearish	Moderate	13106 - 13288

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	76200	76137	76168	76200	76231	76263	Strong	Moderate	76153 - 76216
Gold Comex	Comex	Nov	2627	2606	2617	2636	2646	2665	Bearish	Moderate	2612 - 2641
Silver	MCX	Dec	90622	89115	89868	91004	91757	92893	Strong	Low	89492 - 91381
Silver Comex	Comex	Dec	31.25	30.98	31.11	31.39	31.52	31.80	Strong	Moderate	31 - 31
Crude	MCX	Dec	5805	5715	5760	5815	5860	5915	Bearish	Moderate	5738 - 5838
Crude Nymex	Nymex	Dec	67.96	67.02	67.49	68.13	68.60	69.24	Bearish	Moderate	67 - 68
Nat Gas	MCX	Nov	260	254	257	262	266	271	Bearish	Moderate	260 - 268
BullDex	MCX	Nov	18859	18724	18791	18869	18936	19014	Strong	Low	18758 - 18903
Copper	MCX	Nov	820.20	815	817	822	825	830	Strong	Low	816 - 824
Zinc	MCX	Nov	288.95	286	287	289	291	292	Bullish	High	288 - 291
Lead	MCX	Nov	183	181	182	183	183	184	Bullish	High	182 - 183
Aluminum	MCX	Nov	246.10	245	246	246	247	247	Bearish	Moderate	246 - 247

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