



Monday, December 09, 2024

Overview

- China inflation rate below estimates, lowest since June
- US unemployment rate rose to 4.2%
- Fed rate cut expectations keep gold prices supported
- Focus this week will be on US inflation and PPI data.

Precious Metals

Gold prices inched up despite better than expected U.S. job growth report, as dollar index remain firm around 106 and Fed rate cut expectations continue to increase supporting safe haven buying. Labor market report showed nonfarm payrolls increased by 227,000 jobs last month after rising an upwardly revised 36,000 in October. US unemployment rate was reported 0.1% better than estimates at 4.2%. The data was somewhere in between, while the non-farm payroll is higher than the forecast, the private payroll is slightly below forecast, reaffirming fed rate cut expectations. Probability for rate cut in this Dec'24 meet is at ~80% for a 25bps cut. President-elect Trump is trying for a ceasefire between Russia and Ukraine however, the war in Middle East continues to escalate supporting bullions. RBI in the previous week, cut CRR by 50bps and kept repo rate by unchanged. As per reports, China has also resumed its buying gold for its reserves November after a six-month pause. No major data point is expected on the calendar today. Gold on domestic front is expected to trade in a range of ₹76,200- 77,200

Precious metals	Close (\$)	%Chg.
Gold	2645.8	0.5%
Silver	31.07	0.3%
CFTC data	Speculative Longs	Change WoW
Gold	201397	3206
Silver	24893	1660
ETF	Close	%Chg.
GOLD ETF	2029.5	0.00
Silver ETF	26371	-42.52
Others	Close	%Chg.
DXY	106.06	0.0%
US 10Y Yields	4.14	-0.7%

Base Metals

Copper prices remain supported, with expectations that Chinese authorities will unveil additional policy support measures at crucial political gatherings this month. The Politburo's decision not to release a summary from its usual November meeting has stoked speculation that stimulus may be forthcoming, as China, the world's second-largest economy, faces mounting uncertainties, including the return of US President-elect Donald Trump. Trump recently made two tariff threats, including a warning to BRICS members that if they create a currency to compete with the US dollar, they will face a 100% tariff. Chinese imports of unwrought copper in October rose 1.1% year-on-year to 506,000 metric tons, reflecting improved seasonal demand and consumption outlooks. China's annual inflation rate unexpectedly edged lower to 0.2% in Nov 2024 from 0.3% in the previous month, missing market forecasts of 0.5% and marking the lowest figure since June. The slowdown highlighted mounting deflation risks in the country despite recent stimulus measures from the government and a supportive monetary policy stance by the central bank.

Energy

Natural gas prices rallied as the weather forecast over the weekend showed a near-term temperature outlook trending colder, especially for Dec 18-22. Along with this, Europe gas storage is depleting fast and forecast suggest that it might move below the 2018-2022 mean, supporting prices. Oil prices rose slightly in early morning trade as traders weighed an increased risk premium on heightened geopolitical tensions in Syria after rebels overthrew the Bashar al-Assad regime. However, concerns over weakening demand persisted as weak inflation data from China showed signs of economic strain in the world's biggest oil importer, limiting gains in crude and keeping concerns over slow demand largely in play. On economic data front, Oil traders have also shown a degree of caution Friday, even after nonfarm payrolls data showed that the US economy added more jobs than anticipated in November, rebounding after job growth almost stalled during the prior month. Payrolls rose by 227,000 during the month, climbing from the revised higher 36,000 growth seen in October as the labor market reeled from Hurricanes Helene and Milton as well as a big strike at Boeing factories in the West Coast.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	822	-0.2%
Aluminium	2439	0.0%
Nickel	1369	-0.5%
Lead	181	-1.0%
Zinc	286	0.5%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	269800	-725	MT
	Shanghai	97756	-11019	MT
Aluminum	LME	684600	-2525	MT
	Shanghai	224376	-3425	MT
Nickel	LME	165264	-120	MT
	Shanghai	29579	-161	MT
Lead	LME	271375	0	MT
	Shanghai	48266	-321	MT
Zinc	LME	278850	1050	MT
	Shanghai	52983	-24001	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	67.45	0.4%
Natural gas	3.32	-0.1%

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	116434	4830
Natural Gas	-72717	-11000

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%	4	0	2257.5	74500	285.5	518	306	1.3%
7.0%	473	606	1556.5	75000	437.5	6279	1955	12.5%
-8.2%	45	130	1241	75500	619	930	208	7.2%
-3.7%	1295	5674	974.5	76000	835	9255	1489	4.9%
-8.7%	668	4528	750.5	76500	1091	564	68	-5.6%
-0.6%	3819	13437	573.5	77000	1397.5	1477	839	9.8%
21.8%	240	1110	437.5	77500	1915	1	4	-20.0%
13.7%	3825	7439	334	78000	2139.5	91	179	-2.2%
75.0%	42	45	298.5	78500	2437	1	1	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
284.7%	4020	47661	242.3	5600	47.3	136958	11721	4.4%
183.0%	2510	33524	203.4	5650	62.7	79389	6807	1.7%
185.1%	12247	191211	169.4	5700	84.3	244298	13285	2.5%
220.8%	7334	139338	139.7	5750	110	124950	3526	-9.2%
71.3%	31416	324100	112.1	5800	138.6	221316	10343	-24.0%
12.9%	13509	103138	89.8	5850	170.9	45092	2682	-30.0%
10.0%	32431	160561	69.3	5900	207.6	66900	5114	-26.4%
3.3%	9043	51268	54.6	5950	249.7	7891	1314	-10.7%
5.3%	35881	122832	41.4	6000	291.8	14073	2255	-19.0%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
69.0%	142	116	33.6	230	2.2	10393	5371	11.3%
18.0%	670	1482	25.6	240	4.45	18840	5471	34.2%
11.9%	1886	14331	19.4	250	8	24334	5331	15.8%
-4.1%	868	15659	16.85	255	10.3	18131	1961	7.7%
18.0%	3980	46280	14.55	260	255	33364	3684	20.0%
-11.8%	2589	21004	12.6	265	15.75	7609	1170	-18.4%
0.6%	5947	28253	10.8	270	18.95	7491	1864	-12.0%
-3.9%	5175	17994	8	280	26.05	1561	1435	-3.5%
-1.3%	5282	9260	5.8	290	33.95	86	777	-2.8%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Dec	6,417	6,347	6,382	6,406	6,441	6,465	Bearish	Moderate	6394 - 6453
Cocudakl	NCDEX	Dec	2,726	2,666	2,696	2,715	2,745	2,764	Bearish	Moderate	2706 - 2755
Cotton	NCDEX	Jan	55,660	55,233	55,447	55,673	55,887	56,113	Bearish	Moderate	55340 - 55780
Dhaniya	NCDEX	Dec	7,746	7,690	7,718	7,750	7,778	7,810	Bearish	Moderate	7704 - 7764
Jeera	NCDEX	Nov	23,855	23,215	23,535	23,800	24,120	24,385	Bearish	Moderate	23668 - 24253
Guar Seed	NCDEX	Dec	5,140	5,039	5,089	5,124	5,174	5,209	Bearish	Moderate	5064 - 5149
Guar Gum	NCDEX	Dec	10,148	10,051	10,100	10,149	10,198	10,247	Bearish	Moderate	10125 - 10223
Mentha Oil	MCX	Dec	929	920	924.23	931	935	942	Bullish	Moderate	922 - 933
Turmeric	NCDEX	Dec	13,186	13,062	13,124	13,212	13,274	13,362	Bearish	Moderate	13093 - 13243

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Dec	76619	76060	76339	76591	76870	77122	Bullish	High	76200 - 76731
Gold Comex	Comex	Nov	2639	2607	2623	2633	2649	2659	Bearish	Moderate	2628 - 2654
Silver	MCX	Dec	92448	91090	91769	92522	93201	93954	Bullish	High	91430 - 92862
Silver Comex	Comex	Dec	31.31	30.75	31.03	31.33	31.61	31.92	Bearish	Moderate	31 - 31
Crude	MCX	Dec	5726	5626	5676	5740	5790	5854	Bearish	Moderate	5651 - 5765
Crude Nymex	Nymex	Dec	66.98	65.85	66.42	67.27	67.84	68.69	Bearish	Moderate	66 - 68
Nat Gas	MCX	Nov	262	252	257	260	265	268	Bearish	Moderate	259 - 267
BullDex	MCX	Nov	18826	18723	18774	18815	18866	18907	Bearish	Moderate	18749 - 18841
Copper	MCX	Nov	821.75	816	819	823	826	830	Strong	Moderate	817 - 825
Zinc	MCX	Nov	286.05	281	284	287	290	293	Bearish	Moderate	282 - 288
Lead	MCX	Nov	181	179	180	182	182	184	Bearish	Moderate	179 - 182
Aluminum	MCX	Nov	243.30	241	242	244	245	247	Bearish	Moderate	241 - 245

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