



Monday, December 16, 2024

Overview

- Dollar holds steady ahead of Fed meeting
- China retail sales grew less than expected
- Focus today will on PMI figures from major economies
- This week, monetary policy decisions from US, UK, Japan and China to be watched.

Precious Metals

Gold prices fell towards the end of last week after bullion hit a more than five-week high earlier, as the U.S. dollar gained, but prices were on track for a weekly rise on expectations of a Federal Reserve rate cut next week. While the central bank is widely expected to cut rates by 25 basis points, markets have grown more uncertain over its long-term plans for rates, especially as data this week showed U.S. inflation remained sticky. The Fed is expected to cut rates at a slower pace in 2025 after slashing rates by 75 bps so far in 2024. The focus will also be on Chair Jerome Powell's commentary as market participant's analyses U.S monetary policy for 2025, amidst expansionary and inflationary policies under President- elect Donald Trump. Beyond the Fed, interest rate decisions in Japan and England will also be in focus next week. Focus this week will also be on the US retail sales, IIP, GDP and preliminary manufacturing and services PMI data from major economies. Gold on domestic front is expected to trade in a range of ₹76,500- 77,500.

Precious metals	Close (\$)	%Chg.
Gold	2652.4	0.2%
Silver	30.51	-0.2%
CFTC data	Speculative Longs	Change WoW
Gold	220189	18792
Silver	30685	5792
ETF	Close	%Chg.
GOLD ETF	2018.0	0.00
Silver ETF	25894	-150.21
Others	Close	%Chg.
DXY	107.00	-0.1%
US 10Y Yields	4.39	1.7%

Base Metals

Base metals ended the week lower, due to increased pessimism about the future for Chinese industrial demand and stronger dollar index. Credit aggregates in the world's largest copper consumer fell substantially in November, indicating that financing demand did not respond quickly to the PBoC's vigorous monetary stimulus. This raised concerns that vows of "more proactive" fiscal stimulus and looser monetary policy would fail to boost industrial growth. The CEWC meeting also did not provide any new numbers or announcements, in turn pledges to match the tone of one of the Communist Party leaders' most dovish statements in more than a decade, after a meeting of the Politburo. In turn, copper was squeezed by the prospect of a weaker yuan for the world's biggest exporter. Finally, forecasts of fewer rate reduction by the Fed in 2025 contributed to the fall in base metal prices. On the data front, China's fixed-asset investment rose by 3.3% year-on-year in January to November 2024, compared with market estimates of 3.4% which was also growth figures from the prior period. China's new home prices in 70 cities shrank by 5.7% year-on-year in November 2024.

Energy

Natural gas prices opened gapped down on forecast for mild weather and rising output. Domestic production ticked up to 102.8 bcf/day, though it remains below the record 105.3 bcf/day set in December 2023. However, Robust export demand supported prices as gas flows to U.S. LNG export facilities averaged 14.1 bcf/day in December, an increase from 13.6 bcf/day in November, limiting the downside. Oil prices opened lower in morning session but, was on track for hefty weekly gains, on optimism around top importer China's fresh stimulus measures as well as the potential for additional sanctions on Russia. China announced plans to boost its budget deficit, increase debt issuance, and ease monetary policy to sustain economic growth amid anticipated trade tensions with the U.S., as highlighted in a state media readout from the Central Economic Work Conference held on Dec. 11-12. On top of this, US Treasury Secretary Janet Yellen stated that a weaker global oil market could present a chance for additional action against Russia's energy sector, as the U.S. continues to work to hinder Moscow's ability to wage war against Ukraine

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	815	-0.8%
Aluminium	2450	-0.4%
Nickel	1357	0.0%
Lead	179	0.3%
Zinc	288	-1.3%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	272825	4400	MT
	Shanghai	84557	-13199	MT
Aluminum	LME	675025	-75	MT
	Shanghai	214501	-9875	MT
Nickel	LME	164508	864	MT
	Shanghai	30564	415	MT
Lead	LME	260775	-3550	MT
	Shanghai	52250	3984	MT
Zinc	LME	268500	-5150	MT
	Shanghai	50666	-2317	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	70.95	-0.2%
Natural gas	3.25	-5.3%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	421.95	-1.43%	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	103986	-12448
Natural Gas	-79556	-6839

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	
-3.6%	432	160	2441.5	75000	174	8741	2702	-2.8%
-5.6%	34	32	2098.5	75500	271.5	2277	362	-22.0%
17.6%	642	1811	1663	76000	432.5	18016	2067	-23.9%
358.3%	385	1764	1299	76500	654.5	6217	390	-15.9%
163.3%	2812	15798	990.5	77000	933.5	15174	1783	-17.0%
456.8%	2489	11996	750.5	77500	1257	1661	308	-25.1%
92.6%	5709	23829	559.5	78000	1661	1916	743	-15.1%
6.0%	758	3730	410	78500	1919	11	7	-12.5%
14.3%	3517	11540	294.5	79000	2509.5	288	149	-24.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-26.2%	5064	62491	185.5	5800	3.3	177525	27045	-5.5%
-46.1%	2148	55930	143.5	5850	3.8	146476	16081	40.7%
-34.0%	7992	261292	104.7	5900	5.4	500853	26736	19.9%
-17.1%	5559	278361	73	5950	10.5	392599	9058	18.2%
-33.4%	18169	699282	48.8	6000	22.9	603556	19647	104.7%
-14.7%	7209	318036	31.1	6050	48.7	148524	5147	482.2%
-12.1%	10220	320456	20.7	6100	82	150216	3532	144.4%
-17.6%	2681	73569	14.1	6150	123.7	18711	310	-13.4%
-3.3%	6333	130673	9.9	6200	169	21730	913	-8.9%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-6.2%	1153	482	50.45	250	2.1	20289	7405	-27.3%
-4.4%	1595	1524	41.65	260	4.45	39604	5633	-55.9%
-9.0%	3153	11013	34.1	270	8.3	42576	4488	-56.7%
-20.8%	1043	11004	30.1	275	10.95	28252	2206	-62.9%
25.0%	4655	35906	26.45	280	255	57247	3660	-55.5%
30.5%	3199	26933	23.55	285	16.8	31879	1850	-45.8%
31.8%	7819	71791	20.4	290	20.2	64420	3503	-37.1%
28.8%	10367	52638	15.45	300	27.8	19497	1293	-49.0%
-4.0%	2920	24085	11.65	310	35.9	2839	90	-60.9%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,347	6,303	6,325	6,359	6,381	6,415	Bearish	Moderate	6314 - 6370
Cocudakl	NCDEX	Jan	2,652	2,599	2,626	2,670	2,697	2,741	Bearish	Moderate	2613 - 2684
Cotton	NCDEX	Jan	54,760	54,507	54,633	54,727	54,853	54,947	Bearish	Moderate	54680 - 54900
Dhaniya	NCDEX	Jan	7,942	7,797	7,869	7,935	8,007	8,073	Bearish	Moderate	7833 - 7971
Jeera	NCDEX	Dec	24,450	23,900	24,175	24,340	24,615	24,780	Bearish	Moderate	24258 - 24698
Guar Seed	NCDEX	Jan	5,108	5,028	5,068	5,135	5,175	5,242	Bearish	Moderate	5048 - 5155
Guar Gum	NCDEX	Jan	9,969	9,740	9,855	10,037	10,152	10,334	Bearish	Moderate	9798 - 10095
Mentha Oil	MCX	Dec	929	910	919.47	926	936	943	Bullish	High	923 - 939
Turmeric	NCDEX	Apr	13,972	13,753	13,863	13,985	14,095	14,217	Flat	Moderate	13924 - 14156

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	77136	76369	76753	77435	77819	78501	Bearish	Moderate	76561 - 77627
Gold Comex	Comex	Dec	2656	2623	2640	2664	2681	2706	Bearish	Moderate	2631 - 2673
Silver	MCX	Mar	91001	89335	90168	91253	92086	93171	Bearish	Moderate	89752 - 91670
Silver Comex	Comex	Jan	30.73	30.07	30.40	30.82	31.15	31.57	Bearish	Moderate	30 - 31
Crude	MCX	Dec	6042	5901	5972	6010	6081	6119	Bullish	High	5991 - 6100
Crude Nymex	Nymex	Jan	70.82	68.99	69.91	70.42	71.34	71.85	Bullish	Moderate	70 - 72
Nat Gas	MCX	Dec	279	265	272	285	292	305	Bearish	Moderate	268 - 288
BullDex	MCX	Dec	18819	18631	18725	18894	18988	19157	Bearish	Moderate	18678 - 18941
Copper	MCX	Dec	814.70	807	811	817	821	827	Bearish	Moderate	809 - 819
Zinc	MCX	Dec	287.60	284	286	288	290	292	Bearish	Moderate	287 - 291
Lead	MCX	Dec	179	178	179	179	180	180	Bearish	Moderate	179 - 180
Aluminum	MCX	Dec	244.65	243	244	244	245	246	Flat	Moderate	244 - 245

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