



Tuesday, December 17, 2024

Overview

- Market participants turn cautious ahead of Fed meeting
- Oil prices pressured by weak set of economic data from China
- Focus today will be US retail sales
- This week, monetary policy decisions from US, UK, Japan and China to be watched.

Precious Metals

Gold prices traded steady in yesterday's session as market participants cautiously awaited the final Federal Reserve policy meeting of the year, which could trigger volatility in dollar and overall market. The US central bank is widely expected to cut rates by 25 basis points at the conclusion of the meeting on Wednesday, bringing rates down by a total 100 bps in 2024. But the central bank's outlook on rates will be closely watched, especially in light of recent data showing inflation grew stickier in November, while the labor market remained strong. CME Fed watch tool shows more than 95% chance for a 25bps cut by Fed in this week's meeting. On the geo-political front, Israel agreed on Sunday to double its population in the Golan Heights, citing Syrian threats despite the moderate tone of rebel leaders who ousted President Bashar al-Assad a week ago. On data front, retail sales from China was reported lower than estimates. NY Empire state manufacturing index and US manufacturing PMI was reported lower than estimates while the US services PMI was strong. Focus today will be on US retail sales and Industrial production, lower than expected data could support bullions from lower end. Gold on domestic front is expected to trade in a range of ₹76,500- 77,500.

Precious metals	Close (\$)	%Chg.
Gold	2654.9	0.1%
Silver	30.46	-0.2%
CFTC data	Speculative Longs	Change WoW
Gold	220189	18792
Silver	30685	5792
ETF	Close	%Chg.
GOLD ETF	1999.1	-18.95
Silver ETF	25909	14.17
Others	Close	%Chg.
DXY	106.86	-0.1%
US 10Y Yields	4.40	0.0%

Base Metals

Base metal prices declined due to continued concerns about China's sluggish manufacturing demand. Credit aggregates fell short of forecasts in November, demonstrating the limited impact of the People's Bank of China's vigorous monetary easing. Weak copper production numbers from Peru added to the pessimistic sentiment, with output falling by 1.4% year on year in October due to reduced activity at large mines such as Cerro Verde and Antamina. Meanwhile, global refined copper markets are expecting a 491,000-ton surplus in 2025, the greatest in five years. Aluminum prices also fell, under pressure from China's rising output. Output rose 3.6% from a year earlier in November, while the country's industrial output grew ahead of expectations. 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. Forecasts of fewer rate reduction by the Fed in 2025 contributed to the fall in base metal prices.

Energy

Oil slipped as economic data from China reinforced concerns about weakening demand in the world's biggest crude importer. China's industrial production was in line with expectations for November, and was slightly higher compared to last year's growth, as the country's stimulus measures supported business activity. However, retail sales for November were sharply lower than expectations as private spending remained weak. Other data showed China's unemployment data remained unchanged at 5%. China's slowing economy remains a critical concern for oil traders. Markets have witnessed weaker-than-expected demand growth in China, traditionally a key driver for global oil consumption. Natural gas prices settled moderately lower as US weather forecasts have moved warmer for the remainder of this month, which will reduce heating demand. Forecaster Maxar Technologies forecasts have shifted and moved warmer from coast to coast, including temperatures much above normal in the East from December 26-30.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	814	-1.0%
Aluminium	2430	0.3%
Nickel	1378	1.5%
Lead	179	-0.1%
Zinc	285	0.1%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	272625	-200	MT
	Shanghai	84557	-13199	MT
Aluminum	LME	672525	-2500	MT
	Shanghai	214501	-9875	MT
Nickel	LME	165186	678	MT
	Shanghai	30155	-409	MT
Lead	LME	257125	-3650	MT
	Shanghai	52250	3984	MT
Zinc	LME	266500	-2000	MT
	Shanghai	50666	-2317	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	70.65	0.3%
Natural gas	3.23	-2.1%

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		
-4.2%	414	196	1780	75000	169.5	6481	2283	-15.5%	
-11.8%	30	47	1410	75500	299.5	1906	363	0.3%	
12.3%	721	3297	1019.5	76000	461.5	14383	1939	-6.2%	
69.4%	652	5489	755	76500	669	6196	435	11.5%	
56.2%	4392	27367	529.5	77000	946.5	7420	1531	-14.1%	
25.2%	3117	9659	356.5	77500	1279.5	234	259	-15.9%	
18.3%	6752	16410	266	78000	1682	372	717	-3.5%	
47.8%	1120	2441	196.5	78500	2105.5	0	7	0.0%	
15.2%	4051	5834	135	79000	2588.5	45	129	-13.4%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-45.8%	2744	17785	238.2	5800	0.1	53952	14118	-47.8%	
-27.5%	1558	10873	189.2	5850	0.1	73692	5979	-62.8%	
-56.9%	3444	102285	140.8	5900	0.1	198495	14232	-46.8%	
-55.4%	2482	177768	95.4	5950	0.2	356968	7401	-18.3%	
-60.2%	7239	672336	61.2	6000	0.6	782135	7893	-59.8%	
-72.0%	2020	492935	36.6	6050	30.9	245187	1196	-76.8%	
-21.0%	8070	227907	18.5	6100	79.5	148653	1933	-45.3%	
30.0%	3484	54278	9.6	6150	129.2	12958	340	9.7%	
-51.7%	3056	55904	5.4	6200	178	11509	913	0.0%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
8.9%	1256	2417	31.25	250	1.9	33421	8596	16.1%	
17.9%	1881	18317	23.65	260	4.35	55786	6448	14.5%	
192.8%	9232	94497	17.6	270	8.6	91512	7017	56.4%	
287.2%	4039	59534	15.15	275	11.45	44190	2774	25.7%	
82.2%	8483	84984	13	280	255	27981	3158	-13.7%	
31.0%	4191	24273	11.05	285	18	6307	1452	-21.5%	
23.4%	9649	37032	9.4	290	21.7	7600	3204	-8.5%	
16.7%	12098	37047	6.9	300	29.85	984	1149	-11.1%	
27.7%	3728	14018	5	310	39.45	45	77	-14.4%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,265	6,179	6,222	6,285	6,328	6,391	Bearish	Moderate	6201 - 6307
Cocudakl	NCDEX	Jan	2,649	2,627	2,638	2,646	2,657	2,665	Bearish	Moderate	2642 - 2661
Cotton	NCDEX	Jan	54,670	54,443	54,557	54,713	54,827	54,983	Bearish	Moderate	54500 - 54770
Dhaniya	NCDEX	Jan	7,820	7,575	7,697	7,859	7,981	8,143	Bearish	Moderate	7636 - 7920
Jeera	NCDEX	Dec	24,335	23,965	24,150	24,325	24,510	24,685	Bearish	Moderate	24058 - 24418
Guar Seed	NCDEX	Jan	5,088	4,980	5,034	5,077	5,131	5,174	Bearish	Moderate	5056 - 5153
Guar Gum	NCDEX	Jan	9,912	9,764	9,838	9,929	10,003	10,094	Bearish	Moderate	9884 - 10049
Mentha Oil	MCX	Dec	932	918	925.23	933	940	948	Bullish	High	929 - 944
Turmeric	NCDEX	Apr	13,990	13,793	13,891	13,971	14,069	14,149	Flat	Moderate	13931 - 14109

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	77061	76626	76844	77121	77339	77616	Bearish	Moderate	76735 - 77230
Gold Comex	Comex	Dec	2651	2643	2647	2655	2659	2668	Bearish	Moderate	2645 - 2657
Silver	MCX	Mar	91183	90347	90765	91168	91586	91989	Bearish	Moderate	90967 - 91788
Silver Comex	Comex	Jan	30.77	30.54	30.65	30.80	30.91	31.06	Bearish	Moderate	31 - 31
Crude	MCX	Dec	6008	5938	5973	5998	6033	6058	Bullish	Moderate	5986 - 6046
Crude Nymex	Nymex	Jan	70.29	69.40	69.85	70.42	70.87	71.44	Bullish	Moderate	70 - 71
Nat Gas	MCX	Dec	274	263	269	273	278	282	Bearish	Moderate	266 - 275
BullDex	MCX	Dec	18847	18694	18771	18826	18903	18958	Bearish	Moderate	18799 - 18931
Copper	MCX	Dec	814.25	807	811	815	818	822	Bearish	Moderate	813 - 820
Zinc	MCX	Dec	285.40	283	284	286	287	289	Bearish	Moderate	283 - 287
Lead	MCX	Dec	179	179	179	179	180	180	Bearish	Moderate	179 - 179
Aluminum	MCX	Dec	243.35	242	243	243	244	245	Bearish	Moderate	242 - 244

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