



Tuesday, December 24, 2024

Overview

- Gold and silver prices rose in thin holiday trading
- Nat-gas prices fell on warmer near-term weather forecast
- Copper prices rebound on slightly weaker dollar
- Focus today will be on US new home sales data.

Precious Metals

Gold prices remained steady as investors adjusted expectations for fewer interest rate cuts by Federal Reserve in 2025, ahead of the Christmas holiday and a shortened trading week. A softer-than-anticipated U.S. inflation report has renewed optimism for potential monetary policy easing next year, providing support for gold. The data revealed that monthly inflation slowed in November, following minimal improvement in previous months. The PCE price index, the Fed's preferred inflation metric, increased by 0.1% in November, down from an unrevised 0.2% in October. On an annual basis, the PCE index rose by 2.4% in Nov, slightly up from 2.3% in October, but still below the projected 2.5%. U.S. markets are bracing for significant policy shifts in 2025 as President-elect Donald Trump prepares to assume office, with anticipated changes in tariffs, deregulation, and tax policies. Speculative activity on COMEX showed a reduction in gold net long positions by 16,251 contracts to 203,937. In India, gold demand weakened due to price volatility, causing potential buyers to delay purchases. A jeweller in Chennai noted that buyers are adopting a wait-and-see stance, anticipating further price drops. Additionally, India's gold imports expected to slow significantly in December, driven by high prices, prompting families to choose lighter and lower-carat jewellery.

Precious metals	Close (\$)	%Chg.
Gold	2616.6	0.1%
Silver	29.68	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	203937	-16252
Silver	22078	-8607
ETF	Close	%Chg.
GOLD ETF	2003.7	18.64
Silver ETF	26065	0.00
Others	Close	%Chg.
DXY	108.04	0.1%
US 10Y Yields	4.59	1.6%

Base Metals

Copper climbed on a weaker US dollar following disappointing PCE data, which reinforced anticipation of future interest rate cuts by the Federal Reserve. Softer US PCE inflation in November aided hopes that the Fed may deliver more rate cuts than projected in the hawkish dot plot released last week, lifting dollar-priced assets and easing concerns about poor manufacturing in the US. Still, the lack of detail from China regarding its pledges of proactive fiscal support added to worries that the signals act as optics over concrete action. On the supply side, Peru's copper production in October declined 1.4% compared to the same month last year, with important miners reporting lower output. Meanwhile, copper inventories at SHFE warehouses fell to their lowest level since February. China's refined copper production fell by 1.6% in November, exacerbating supply-side concerns. However, China's manufacturing activity showed signs of growth, increasing local copper demand. Imports of unwrought copper and products reached a one-year high of 528,000 tons in November, indicating greater restocking as domestic inventories fell.

Energy

Oil prices initially slipped amid the strength in dollar index and reports of Russia's Druzhba pipeline resuming its flows. Prices go further pressure from demand concerns in China after Chinese state-owned refiner Sinopec forecasted that China's crude imports could peak by 2025, and the country's oil consumption is expected to reach its peak by 2027, driven by weakening diesel and gasoline demand. Natural gas prices saw some profit booking amid reports of warmer near-term weather, although a cold snap remained in play for January. For the near-term, Maxar forecasted above-normal temperature for the central US but near normal temperatures for the Eastern US. EBW Analytics Group recently said the longer-range weather outlook is for a mid-January cold spell in the southern US that could lead to freeze-offs and natural gas production disruptions. Focus today will be on US Durable data and new home sales data due in the evening.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	792	0.2%
Aluminium	2450	0.7%
Nickel	1333	0.6%
Lead	176	-0.3%
Zinc	277	0.1%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	272425	100	MT
	Shanghai	70864	-13693	MT
Aluminum	LME	659650	-2500	MT
	Shanghai	212298	-2203	MT
Nickel	LME	163068	1632	MT
	Shanghai	28970	-257	MT
Lead	LME	250700	-1775	MT
	Shanghai	52035	-215	MT
Zinc	LME	251975	-2150	MT
	Shanghai	40137	-10529	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	69.49	-0.1%
Natural gas	3.75	-2.5%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	421.02	-2.36	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		
-32.6%	29	55	1794	74000	6	16625	2228	23.6%	
-26.7%	11	107	1329	74500	17.5	11635	733	25.9%	
-2.8%	652	7631	901	75000	69	50444	2833	14.9%	
86.6%	1418	28553	554.5	75500	237.5	39116	874	-21.4%	
189.7%	7067	81283	301	76000	556	21064	1280	-19.2%	
67.2%	3664	26143	154.5	76500	1009	1613	230	-14.5%	
-12.7%	6398	25450	61	77000	1506	713	609	-16.2%	
84.9%	4914	10323	28	77500	1989	38	173	-11.3%	
-4.3%	5467	8344	17	78000	2504	204	446	-17.4%	

MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
12.3%	741	6296	317.3	5700	89.7	54882	2377	-7.2%	
5.6%	358	3876	281.8	5750	105.3	24957	529	-45.4%	
45.2%	3764	39694	248.2	5800	123.7	82740	3973	-20.0%	
123.4%	1394	23043	218.1	5850	144.5	45592	1548	-37.3%	
126.9%	14558	153411	190.7	5900	168.1	169421	7048	-8.2%	
166.9%	5068	59511	165.2	5950	193.7	46863	911	-33.4%	
43.1%	19972	129440	141.2	6000	220.5	77458	6284	-5.8%	
77.2%	4563	32133	120.7	6050	252.6	8609	449	-39.1%	
62.1%	7770	69704	103.1	6100	287.1	9898	916	3.3%	

MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-23.6%	1382	1190	40.05	280	0.05	6700	8681	4.4%	
-43.6%	1324	3696	31.15	290	0.05	20141	10456	6.3%	
-43.6%	3029	19994	22.4	300	0.05	99899	6676	-31.7%	
-50.3%	771	31502	18.05	305	0.05	94986	1873	-36.9%	
-51.8%	2375	111111	14.65	310	255	200585	2521	-63.8%	
-19.1%	1416	104750	11.45	315	2.55	122588	1302	-13.6%	
-39.8%	2222	115783	8.8	320	7.6	131801	1355	-45.4%	
-1.0%	5852	128426	4.7	330	17.35	83433	1191	9.1%	
1.7%	4230	65634	2.05	340	28.25	9914	275	-48.1%	

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,289	6,270	6,279	6,290	6,299	6,310	Bearish	Moderate	6285 - 6305
Cocudakl	NCDEX	Jan	2,679	2,616	2,647	2,667	2,698	2,718	Bearish	Moderate	2657 - 2708
Cotton	NCDEX	Jan	53,930	53,597	53,763	53,877	54,043	54,157	Bearish	Moderate	53820 - 54100
Dhaniya	NCDEX	Jan	7,698	7,625	7,661	7,687	7,723	7,749	Bearish	Moderate	7643 - 7705
Jeera	NCDEX	Dec	25,060	24,427	24,743	25,222	25,538	26,017	Bearish	Moderate	24585 - 25380
Guar Seed	NCDEX	Jan	5,248	5,129	5,189	5,259	5,319	5,389	Bearish	Moderate	5224 - 5354
Guar Gum	NCDEX	Jan	10,179	9,941	10,060	10,150	10,269	10,359	Bearish	Moderate	10105 - 10314
Mentha Oil	MCX	Dec	928	919	923.37	928	932	936	Bearish	Moderate	921 - 930
Turmeric	NCDEX	Apr	13,824	13,524	13,674	13,816	13,966	14,108	Bearish	Moderate	13745 - 14037

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	76420	75221	75821	76250	76850	77279	Bearish	Moderate	76036 - 77065
Gold Comex	Comex	Dec	2629	2595	2612	2622	2639	2648	Flat	Moderate	2617 - 2644
Silver	MCX	Mar	88392	85661	87027	87812	89178	89963	Bearish	Moderate	87420 - 89571
Silver Comex	Comex	Jan	29.70	28.55	29.12	29.55	30.12	30.55	Bearish	Moderate	29 - 30
Crude	MCX	Dec	5938	5809	5873	5909	5973	6009	Bearish	Moderate	5891 - 5991
Crude Nymex	Nymex	Jan	69.02	67.49	68.25	68.82	69.58	70.15	Bearish	Moderate	69 - 70
Nat Gas	MCX	Dec	320	294	307	315	328	335	Bullish	High	311 - 332
BullDex	MCX	Dec	18545	18210	18377	18483	18650	18756	Bearish	Moderate	18430 - 18703
Copper	MCX	Dec	798.40	787	793	796	802	805	Bearish	Moderate	794 - 803
Zinc	MCX	Dec	279.10	275	277	279	281	283	Bearish	Moderate	276 - 280
Lead	MCX	Dec	176	174	175	176	177	178	Bearish	Moderate	175 - 177
Aluminum	MCX	Dec	242.95	241	242	243	244	244	Flat	Moderate	242 - 244

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