



Thursday, December 26, 2024

Overview

- Metals rose on China stimulus optimism
- Nat-gas prices rose on bets of stronger LNG demand
- Oil prices edge higher on newer China stimulus announcements
- Focus today will be on US weekly jobless claims data.

Precious Metals

Gold prices edged higher, extending their tepid performance as investors still remained cautious with the rising dollar following the U.S. Federal Reserve's hawkish tilt. The dollar index continues to inch higher against major crosses, hovering around two years around 108, while the benchmark U.S. 10-year yield also gained. Gold prices had hit a one-month low on at the start of this week, continuing its last week's fall, as the Fed meeting indicated that rates will remain higher for a longer period after third cut this year. Traders are now expecting only two quarter-point reductions in 2025 amid continued economic resilience and still-elevated inflation. This compares to expectations of four rate cuts before the Fed meeting, as per CME fed watch-tool. Updates regarding geopolitical tensions is also keeping market participants on edge. On one end, President elect Trump is pushing for an ease off in Russia and Ukraine and ceasefire deal between Israel - Hamas is also under play; however, the pace of attacks between continue to increase. Gold has set multiple record highs this year, rising 27% so far to mark its best annual performance since 2010, driven by robust central bank buying, geopolitical tensions and monetary policy easing by major banks. Focus today will be on US weekly jobless claims data.

Precious metals	Close (\$)	%Chg.
Gold	2627.4	0.5%
Silver	29.65	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	203937	-16252
Silver	22078	-8607
ETF	Close	%Chg.
GOLD ETF	1987.5	-6.89
Silver ETF	25984	0.00
Others	Close	%Chg.
DXY	108.20	0.0%
US 10Y Yields	4.60	-0.3%

Base Metals

Most base metals rose, boosted by strong macroeconomic data from the Chinese government. China intends to increase fiscal support for consumption next year by increasing pension and medical insurance subsidies for residents, as well as expanding trade-ins for consumer products, according to a finance ministry declaration. Meanwhile, Chinese officials have decided to issue 3 trillion yuan (\$411.04 billion) in special treasury bonds next year. Zinc prices rose slightly, boosted by a 20.8% drop in Shanghai Futures Exchange stockpiles from the previous week. However, market sentiment remained cautious due to slower-than-expected retail sales growth and a 17-month sequence of falling new home prices in China, highlighting continued issues in the real estate sector. Given the lack of clarity on the amount and scope of measures, Beijing's stimulus announcements in the past few weeks have failed to create significant market excitement. Meanwhile, the US Federal Reserve is expected to decrease interest rates by 25 basis points this week, though it may forecast fewer reductions in 2025. London Metal Exchange (LME) was closed for Christmas on Wednesday, and will be closed for Boxing Day today too.

Energy

Oil prices extended gains after the Christmas holiday, bolstered by new stimulus measures in China and a drop in U.S. crude inventories. Chinese authorities have decided to issue a record-breaking 3 trillion yuan (\$411 billion) in special treasury bonds next year, in an intensified fiscal effort to stimulate a struggling economy. Moreover, China is allowing local officials to broaden investments with key government bonds and simplifying approvals, permitting projects unless restricted by a cabinet-published list, to better utilize public funding for economic growth. US oil inventories fell by 3.2 million barrels. Gasoline inventories rose by 3.9 million barrels last week, while distillate inventories—which include diesel and heating oil—fell by about 2.5 million barrels. The figures come ahead of data from the Energy Information Administration, the statistical arm of the US Department of Energy, due on Friday.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	795	-0.8%
Aluminium	250 ^P	1.0%
Nickel	1336	0.3%
Lead	175	-0.4%
Zinc	281	-0.7%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	272725	300	MT
	Shanghai	70864	-13693	MT
Aluminum	LME	657150	-2500	MT
	Shanghai	212298	-2203	MT
Nickel	LME	162048	-1020	MT
	Shanghai	28743	-72	MT
Lead	LME	249250	-1450	MT
	Shanghai	52035	-215	MT
Zinc	LME	248950	-3025	MT
	Shanghai	40137	-10529	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	70.22	0.0%
Natural gas	3.97	7.3%

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	161201	57215
Natural Gas	-66250	13306

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	
-31.0%	20	65	1528	74000	0.5	4555	1810	-18.8%
9.1%	12	143	1006.5	74500	0.5	5339	558	-23.9%
-29.8%	458	5975	572.5	75000	0.5	51444	2652	-6.4%
-91.4%	122	35652	245	75500	4.5	49587	441	-49.5%
-39.6%	4265	56139	69	76000	436	9209	350	-72.7%
-51.1%	1791	27130	23.5	76500	963	1311	64	-72.2%
-45.1%	3512	14524	13	77000	1449.5	853	219	-64.0%
-69.7%	1488	7822	10.5	77500	1961	198	61	-64.7%
-33.5%	3635	5357	6	78000	2413	338	192	-57.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-42.8%	424	2903	288.1	5700	65.5	36776	4593	93.2%
-12.3%	314	1189	254.5	5750	78	15295	1175	122.1%
-37.3%	2360	18585	222.8	5800	93.1	66629	7509	89.0%
-77.5%	314	12256	193.1	5850	109.5	33212	3591	132.0%
-60.9%	5697	108170	166.4	5900	128	135104	12596	78.7%
-70.6%	1492	48263	144.2	5950	150	47183	3541	288.7%
-35.1%	12964	143528	121.9	6000	174.2	125758	10030	59.6%
-17.2%	3779	31389	102.3	6050	201	12589	1101	145.2%
-27.4%	5641	69481	86.5	6100	230.8	20709	1911	108.6%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-4.1%	2904	22489	19.75	300	28.65	10417	1456	-78.2%
-61.8%	907	18161	17.15	310	35.15	2997	323	-87.2%
-4.5%	2123	25322	14.95	320	41.95	2109	447	-67.0%
-89.0%	199	4411	14.15	325	45.3	268	34	-95.6%
-71.3%	1682	17747	13	330	255	606	327	-72.5%
-94.9%	121	2161	12.15	335	52.75	1	1	-99.3%
-68.6%	1330	10908	11.35	340	58.8	4	2	-99.3%
-49.9%	2483	11400	9.8	350	65.65	50	95	-22.8%
-0.5%	3975	13740	8.15	360	66.55	0	0	-100.0%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,363	6,202	6,282	6,432	6,512	6,662	Bearish	Moderate	6242 - 6472
Cocudakl	NCDEX	Jan	2,676	2,647	2,661	2,681	2,695	2,715	Bearish	Moderate	2654 - 2688
Cotton	NCDEX	Jan	54,240	53,913	54,077	54,363	54,527	54,813	Bearish	Moderate	53995 - 54445
Dhaniya	NCDEX	Jan	7,914	7,799	7,857	7,937	7,995	8,075	Bearish	Moderate	7828 - 7966
Jeera	NCDEX	Dec	23,820	23,513	23,667	23,863	24,017	24,213	Bearish	Moderate	23590 - 23940
Guar Seed	NCDEX	Jan	5,268	5,209	5,238	5,275	5,304	5,341	Bearish	Moderate	5224 - 5290
Guar Gum	NCDEX	Jan	10,361	10,238	10,300	10,358	10,420	10,478	Bearish	Moderate	10269 - 10389
Mentha Oil	MCX	Dec	931	929	930.00	931	933	934	Bearish	Moderate	929 - 932
Turmeric	NCDEX	Apr	13,836	13,676	13,756	13,888	13,968	14,100	Bullish	Moderate	13716 - 13928

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	76270	75975	76122	76236	76383	76497	Flat	Moderate	76179 - 76440
Gold Comex	Comex	Dec	2623	2609	2616	2619	2626	2630	Flat	Moderate	2618 - 2628
Silver	MCX	Mar	89326	88516	88921	89247	89652	89978	Flat	Moderate	89084 - 89815
Silver Comex	Comex	Jan	30.00	29.77	29.89	29.97	30.08	30.16	Flat	Moderate	30 - 30
Crude	MCX	Dec	5980	5881	5931	5971	6021	6061	Bullish	High	5951 - 6041
Crude Nymex	Nymex	Jan	69.64	68.52	69.08	69.51	70.07	70.50	Bullish	High	69 - 70
Nat Gas	MCX	Dec	297	282	290	294	302	306	Bullish	High	292 - 304
BullDex	MCX	Dec	18548	18481	18514	18574	18607	18667	Bearish	Moderate	18498 - 18591
Copper	MCX	Dec	795.00	782	789	796	802	810	Bearish	Moderate	785 - 799
Zinc	MCX	Dec	280.90	275	278	281	284	286	Flat	Moderate	279 - 285
Lead	MCX	Dec	175	173	174	175	177	178	Bearish	Moderate	173 - 176
Aluminum	MCX	Dec	250.45	241	246	250	254	258	Bullish	High	248 - 256

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