



Friday, December 27, 2024

## Overview

- Gold prices inched higher in mixed geopolitical scene
- Mild US temps weigh on natural gas prices
- Oil prices edge lower as market awaits fresh cues
- Focus today will be on oil and gas inventories.

## Precious Metals

Gold prices were higher as ongoing geopolitical tensions, mixed economic data and change in rate cut expectations kept market participants on edge. The Palestinian militant group Hamas and Israel accused each other of hindering a ceasefire deal, with Hamas blaming Israel for imposing additional conditions and Israeli Prime Minister Benjamin Netanyahu alleging Hamas reneged on prior understandings. Israel struck multiple Houthi targets in Yemen on Thursday, including the Sanaa International Airport, resulting in at least six deaths according to the Houthi media. The dollar index was flat, though continued to hover near two-year high it touched last week. The number of Americans filing new applications for jobless benefits dipped to the lowest in a month last week, consistent with a cooling but still-healthy U.S. labor market that is likely to keep Federal Reserve officials from cutting interest rates any further in the near term. As per CME fed-watch tool data, expectations for a pause in January Fed meeting is firm around 90%. Markets are preparing for major policy shifts, including tariffs, deregulation and tax changes, in 2025 as Donald Trump returns to the White House in January. Gold on domestic front, could trade in a range of ₹76,200-77,200.

Precious metals	Close (\$)	%Chg.
Gold	2631.7	-0.1%
Silver	29.83	0.1%
CFTC data	Speculative Longs	Change WoW
Gold	203937	-16252
Silver	22078	-8607
ETF	Close	%Chg.
GOLD ETF	1992.4	4.90
Silver ETF	25984	0.00
Others	Close	%Chg.
DXY	108.13	0.0%
US 10Y Yields	4.57	-0.2%

## Base Metals

Base metals were mixed, with favorable macroeconomic data from China providing some support, but a strong dollar index limiting the gains. China's finance ministry announced earlier this week that it will increase its budget deficit ratio, increase fiscal spending, and accelerate expenditure in 2025. Issuance of CNY 3 trillion in special treasury bonds for 2025 to boost economic growth, was positive for prices. Furthermore, the country intends to increase fiscal support for consumption next year by increasing pension and medical insurance subsidies for residents, as well as expanding consumer goods trade-ins, according to the finance ministry. On the supply side, copper inventories in Shanghai warehouses fell to their lowest levels since February, and Peru's October copper production dropped by 1.4% year-on-year. Chinese manufacturing activity showed signs of recovery, and copper imports rose in November to a one-year high of 528,000 tons, a 4.3% increase from October. Meanwhile, the US dollar index lingered at the two-year mark which kept further gains capped.

## Energy

Natural gas prices declined as forecasts indicated warmer winter temperatures across the US, reducing heating demand. Oil also slipped during light holiday trading, driven by weak US jobs data. A rise in recurring US unemployment benefit applications to the highest level in over three years paused a broader market rally, pressuring crude prices. Low liquidity amplified the downward movement, with WTI crude trading volumes nearing annual lows. Earlier gains in oil, sparked by reports of China granting local officials greater flexibility to invest proceeds from government bonds while maintaining current interest rates, erased. However, price declines cushioned by API report of a 3.2 million-barrel drop in commercial crude inventories last week. If confirmed by official data, this would mark the fifth consecutive weekly decline. Crude stockpiles typically shrink in December before rising in the early months of the following year. The figures precede data from the natural gas inventory data and crude oil inventory data scheduled for release on Friday. Forecast suggest that crude oil inventories likely declined by approximately 1.9 Mbs with gasoline stocks expected to drop by 1.1 M and distillate inventories by 0.3 million barrels.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	800	0.3%
Aluminium	253 <sup>P</sup>	2.0%
Nickel	1336	0.0%
Lead	176	0.8%
Zinc	281	1.4%

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	28666	-77	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	69.60	-0.1%
Natural gas	3.79	-6.2%

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		
-30.0%	14	0	2550.5	74000	210	1087	434	-76.0%	
-100.0%	0	0	2333.5	74500	280.5	82	45	-91.9%	
-66.6%	153	533	1807	75000	377.5	3797	1098	-58.6%	
-91.0%	11	2	1692	75500	506.5	464	85	-80.7%	
-84.2%	676	3001	1210.5	<b>76000</b>	668.5	6118	1205	244.3%	
-98.0%	36	308	958.5	76500	880	148	21	-67.2%	
-75.1%	875	4715	760	77000	1112	855	306	39.7%	
-98.9%	16	83	770	77500	1610.5	0	0	-100.0%	
-69.2%	1118	3993	444	78000	1712	67	92	-52.1%	

## MCX Crude Oil

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
-21.5%	333	1499	344.7	5700	59.5	27809	4974	8.3%	
9.6%	344	435	305.1	5750	70.8	12903	2464	109.7%	
-16.5%	1971	9108	270.9	5800	86.9	46827	8617	14.8%	
36.9%	430	2930	238.7	5850	103.3	21094	3232	-10.0%	
24.2%	7075	38206	207.4	<b>5900</b>	122.2	73041	12678	0.7%	
30.6%	1949	23036	180.1	5950	144	44710	3447	-2.7%	
26.6%	16413	148996	153.1	6000	168.3	157247	12068	20.3%	
12.9%	4265	46771	130.3	6050	195.3	33375	1434	30.2%	
60.3%	9044	75456	111.4	6100	224.4	40475	2749	43.9%	

## MCX Natural Gas

% Chg in OI	Call			Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI		
10.5%	2163	19894	30.2	290	28.6	22934	1614	-36.1%	
73.4%	5035	29062	26.15	300	35.35	10414	945	-35.1%	
215.8%	2864	16406	22.55	310	42.65	1643	192	-40.6%	
34.8%	601	5020	21	315	46.85	318	85	16.4%	
26.0%	2674	17434	19.5	<b>320</b>	255	1072	350	-21.7%	
296.0%	788	5826	18.1	325	54.6	159	39	14.7%	
53.0%	2574	15834	16.9	330	58.85	995	321	-1.8%	
117.8%	2897	17223	14.65	340	65.65	26	12	500.0%	
27.3%	3161	10805	12.7	350	75.2	94	98	3.2%	

## Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,373	6,336	6,354	6,385	6,403	6,434	Bearish	Moderate	6345 - 6394
Cocudakl	NCDEX	Jan	2,658	2,625	2,642	2,659	2,676	2,693	Bearish	Moderate	2634 - 2668
Cotton	NCDEX	Jan	54,430	54,177	54,303	54,467	54,593	54,757	Bearish	Moderate	54240 - 54530
Dhaniya	NCDEX	Jan	7,932	7,845	7,889	7,919	7,963	7,993	Bearish	Moderate	7904 - 7978
Jeera	NCDEX	Dec	23,820	23,653	23,737	23,858	23,942	24,063	Bearish	Moderate	23695 - 23900
Guar Seed	NCDEX	Jan	5,284	5,222	5,253	5,275	5,306	5,328	Bearish	Moderate	5258 - 5311
Guar Gum	NCDEX	Jan	10,405	10,245	10,325	10,385	10,465	10,525	Bearish	Moderate	10355 - 10495
Mentha Oil	MCX	Dec	931	926	928.27	930	933	935	Bearish	Moderate	927 - 931
Turmeric	NCDEX	Apr	13,882	13,707	13,795	13,897	13,985	14,087	Bullish	High	13846 - 14036

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	76827	76340	76583	76765	77008	77190	Strong	Moderate	76674 - 77099
Gold Comex	Comex	Dec	2640	2616	2628	2635	2648	2655	Flat	Moderate	2632 - 2651
Silver	MCX	Mar	89636	88711	89173	89587	90049	90463	Flat	Moderate	89380 - 90256
Silver Comex	Comex	Jan	30.05	29.82	29.94	30.04	30.15	30.25	Flat	Moderate	30 - 30
Crude	MCX	Dec	5976	5913	5945	5997	6029	6081	Bullish	Moderate	5929 - 6013
Crude Nymex	Nymex	Jan	69.23	68.16	68.70	69.47	70.01	70.78	Bullish	Moderate	68 - 70
Nat Gas	MCX	Dec	317	295	306	324	335	353	Bullish	Moderate	301 - 330
BullDex	MCX	Dec	18710	18607	18658	18692	18743	18777	Flat	Moderate	18675 - 18760
Copper	MCX	Dec	799.85	790	795	799	804	808	Flat	Moderate	797 - 806
Zinc	MCX	Dec	280.85	278	280	281	282	283	Flat	Moderate	279 - 282
Lead	MCX	Dec	176	176	176	177	177	177	Flat	Moderate	176 - 177
Aluminum	MCX	Dec	253.10	246	250	253	256	259	Bullish	High	248 - 254

**Navneet Damani**

**Head Research- Currencies and Commodities**

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Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	<a href="mailto:query@motilaloswal.com">query@motilaloswal.com</a>
Ms. Kumud Upadhyay	022 40548082	<a href="mailto:servicehead@motilaloswal.com">servicehead@motilaloswal.com</a>
Mr. Ajay Menon	022 40548083	<a href="mailto:am@motilaloswal.com">am@motilaloswal.com</a>

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