



Tuesday, January 07, 2025

Overview

- Dollar plummeted on limited tariffs report
- Copper prices gain on dollar weakness and China optimism
- Natural gas gained on colder weather forecasts
- Today, JOLTs Job openings data will be in focus.

Precious Metals

Gold prices held its ground, with investors awaiting more economic data later this week for cues on the Federal Reserve's interest rate trajectory for this year. The benchmark 10-year Treasury yield hit the highest since May 2024 and the U.S. dollar was lower after conflicting reports about how aggressive President-elect Donald Trump's tariff plans could be when he takes office. The Washington Post reported that Trump's aides were exploring plans that would apply tariffs to every country, but only on sectors seen as critical to national or economic security. Trump later denied the report, this triggered volatility in the market. This differing report along with sudden rise in Euro ~1% led to a steep fall in dollar index. The Fed can be cautious about any further rate cuts given a solid economy and inflation proving stickier than previously expected, Fed Governor Lisa Cook said. Reports from China regarding robust home transactions set stage for broader market recovery. Investors are now looking to the U.S. jobs report on Friday, which could help shed more light on the Fed's policy path. They are also awaiting the job openings data later on the day, ADP employment numbers and the minutes from the Fed's December meeting on Wednesday. Gold on domestic front, could trade in a range of ₹76,800-77,800.

Precious metals	Close (\$)	%Chg.
Gold	2638.2	0.1%
Silver	29.96	0.0%
CFTC data	Speculative Longs	Change WoW
Gold	182384	-1876
Silver	16824	-3766
ETF	Close	%Chg.
GOLD ETF	2030.3	14.89
Silver ETF	25911	-87.83
Others	Close	%Chg.
DXY	108.26	0.1%
US 10Y Yields	4.62	0.5%

Base Metals

Copper prices rose more than 1% after the Washington Post reported that US President-elect Donald Trump's aides are considering tariff ideas that would apply to all countries but only cover imports of critical items. Those measures would roll back a campaign promise to levy tariffs on all items imported into the United States. Trump then denied that his tariff strategy would be reduced in a post on Truth Social, but copper and other metals held gains. The dollar fell following the report, lending support to metals by boosting buying power for commodities importers in countries such as China. Enthusiasm was also boosted by reports of China, which announced intentions to increase ultra-long treasury bond funding in 2025, with the goal of boosting corporate and consumer expenditure. It will be important to follow announcements and releases regarding tariff plans, as prices are sensitive to such news and markets would react to any such events up until Trump's swearing in ceremony on 20th January. Important data points in the US this week will also be key for gauging Fed's further trajectory.

Energy

Natural gas prices rallied sharply as US weather forecasts turned colder, which will boost heating demand for nat-gas. Monday's 6-10 day US weather forecast from NOAA is colder; with below-normal temperatures expected across the majority of the eastern and southern US. Snow, ice and sub-zero temperatures are expected across swathes of the US as a powerful winter storm sweeps through the country. The storm is driven by a polar vortex, which is also expected to drop temperatures across Europe. Meanwhile, Europe's vast natural gas inventories are currently depleting at the fastest clip since 2018 as cold weather ramps up heating needs. Storage is just over 70% full compared with about 86% a year ago. Gas inventories currently are 25% below last year's peak, marking the biggest drop in seven years. Oil snapped a five-session rally amid volatile trading, despite earlier gains driven by colder weather and stronger-than-expected services activity in Europe. In the U.S., November saw a decline in new orders for manufactured goods, reflecting reduced demand for commercial aircraft. Market participants await EIA natural gas and crude oil inventory due this week along with U.S. jobs report on Friday, which could help shed more light on the Fed's policy path.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	813	0.7%
Aluminium	2380	-0.9%
Nickel	1315	-0.9%
Lead	177	0.4%
Zinc	274	-1.0%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	268650	-1150	MT
	Shanghai	83174	9002	MT
Aluminum	LME	626775	-3375	MT
	Shanghai	193239	-7946	MT
Nickel	LME	164280	252	MT
	Shanghai	28222	-334	MT
Lead	LME	234900	-3200	MT
	Shanghai	48573	-3248	MT
Zinc	LME	229150	-1175	MT
	Shanghai	23912	-6324	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	73.94	-0.3%
Natural gas	3.60	-9.1%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	415.60	-7.77	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	182895	21694
Natural Gas	-4050	62200

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	
-4.4%	108	125	2497	75000	190.5	5490	1119	-12.0%
-34.6%	17	15	2179.5	75500	290	1113	225	-10.0%
-4.9%	510	874	1713	76000	419	10638	1306	-2.8%
27.4%	121	480	1380	76500	592	3736	254	27.0%
24.3%	1196	9753	1089.5	77000	812	9369	883	11.9%
46.8%	386	4093	840	77500	1084.5	502	71	20.3%
22.7%	2116	12174	633.5	78000	1382.5	723	224	9.3%
156.3%	205	1266	464.5	78500	1729	0	3	0.0%
-3.2%	1312	6975	332.5	79000	2161	30	41	5.1%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-13.5%	4051	11989	307.3	6100	39.5	104600	15351	-9.1%
-20.9%	922	3343	264.9	6150	51.6	52916	5380	-11.8%
-3.0%	4078	50246	225.1	6200	65.6	167934	12474	-32.8%
18.2%	2619	43547	188.9	6250	82.6	98262	5115	-31.6%
29.7%	8176	222703	157.1	6300	104.4	336680	12144	-0.5%
120.8%	4335	159130	128.1	6350	130.6	161740	2787	-9.2%
21.2%	7615	316640	103.8	6400	161	225780	3751	9.5%
227.6%	3600	111627	82.9	6450	194.1	46224	832	183.0%
184666.7%	5543	189737	65.9	6500	233.5	58253	695	-25.3%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-31.8%	1292	7347	20.45	290	12	28543	2878	11.2%
-51.1%	2783	27685	16.65	300	16.6	43979	3594	-2.9%
-53.0%	2204	61710	13.75	310	22.2	45336	2629	19.7%
-36.4%	1051	30375	12.7	315	25.2	15671	856	6.3%
-25.1%	3152	44281	11.35	320	255	15295	1308	-21.1%
-28.5%	1134	14386	10.5	325	31.7	761	115	12.7%
-40.2%	2788	30187	9.45	330	35.2	2022	709	-11.7%
-32.3%	2664	18782	7.85	340	42.5	465	447	18.9%
-16.4%	4160	21460	6.6	350	50.8	277	724	-10.1%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Jan	6,296	6,231	6,264	6,313	6,346	6,395	Bearish	Moderate	6248 - 6330
Cocudakl	NCDEX	Jan	2,766	2,742	2,754	2,768	2,780	2,794	Bearish	Moderate	2748 - 2774
Cotton	NCDEX	Jan	54,830	53,863	54,347	54,633	55,117	55,403	Bearish	Moderate	54490 - 55260
Dhaniya	NCDEX	Jan	7,784	7,665	7,725	7,811	7,871	7,957	Bearish	Moderate	7768 - 7914
Jeera	NCDEX	Jan	24,450	24,060	24,255	24,545	24,740	25,030	Bearish	Moderate	24158 - 24643
Guar Seed	NCDEX	Jan	5,304	5,194	5,249	5,316	5,371	5,438	Bearish	Moderate	5222 - 5344
Guar Gum	NCDEX	Jan	10,205	9,968	10,087	10,268	10,387	10,568	Bearish	Moderate	10028 - 10328
Mentha Oil	MCX	Jan	944	934	939.10	944	949	953	Bullish	High	941 - 951
Turmeric	NCDEX	Apr	15,536	15,060	15,298	15,568	15,806	16,076	Bullish	Moderate	15179 - 15687

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	77158	76123	76641	77080	77598	78037	Bearish	Moderate	76382 - 77339
Gold Comex	Comex	Jan	2638	2605	2621	2634	2651	2664	Flat	Moderate	2613 - 2643
Silver	MCX	Mar	90554	87514	89034	90257	91777	93000	Strong	Moderate	89646 - 92389
Silver Comex	Comex	Feb	30.45	29.31	29.88	30.35	30.92	31.39	Strong	Low	30 - 31
Crude	MCX	Jan	6308	6205	6256	6345	6396	6485	Bullish	Moderate	6231 - 6371
Crude Nymex	Nymex	Feb	72.92	71.57	72.25	73.21	73.89	74.85	Bullish	Moderate	72 - 74
Nat Gas	MCX	Jan	311	284	297	308	322	333	Bullish	High	303 - 328
BullDex	MCX	Jan	18806	18542	18674	18789	18921	19036	Strong	Moderate	18732 - 18979
Copper	MCX	Jan	812.55	790	801	810	821	830	Strong	Moderate	806 - 826
Zinc	MCX	Jan	273.95	271	272	274	276	278	Bearish	Moderate	273 - 277
Lead	MCX	Jan	177	175	176	177	178	179	Flat	Moderate	177 - 179
Aluminum	MCX	Jan	238.40	236	237	238	240	241	Bearish	Moderate	238 - 240

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