



Tuesday, January 21, 2025

Overview

- Market participants to assess Trump's policies
- Base metals prices inched lower as China kept LPR rate steady
- Crude oil prices remained volatile as President Trump took oath yesterday

Precious Metals

Gold prices witnessed swings at the start of this week amidst a weaker U.S. dollar and as market assessed the potential economic impact of U.S. President Donald Trump's second-term policies following his inauguration. The price spread between New York futures and spot prices was inflated in recent weeks as traders priced in possible U.S. import tariffs and boosted deliveries into the CME stocks. President Trump has talked of tariffs of as much as 10% on global imports as well as 60% on Chinese goods and a 25% import surcharge on Canadian and Mexican products. However, yesterday there were several comments from White house, one of them stated that President trump wont impose new tariffs yet. There were also comments from President Putin wherein, he mentioned that they are open for dialogue and Russia wants a long lasting peace with Ukraine. Disappointed with delay in tariffs and signs of ease of in geo-political tensions, dollar index fell yesterday by more than 100 bps. Market participants now will keep an eye on any updates from President Trump and officials at Davos which could trigger volatility in market. US market also resumes from a holiday, which could also provide swings in the market. Gold, on domestic front, is expected to trade in a range of ₹78,300 and 79,300.

Precious metals	Close (\$)	%Chg.
Gold	2723.5	0.6%
Silver	30.64	0.5%
CFTC data	Speculative Longs	Change WoW
Gold	212494	17995
Silver	28803	3194
ETF	Close	%Chg.
GOLD ETF	2010.7	11.88
Silver ETF	26036	0.00
Others	Close	%Chg.
DXY	109.35	-0.9%
US 10Y Yields	4.55	0.1%

Base Metals

Base metals inched lower in yesterday's session as China kept LPR rate steady. The one-year loan prime rate (LPR), a benchmark for most business and family loans, remained at 3.1%, while the five-year LPR, which acts as a reference for property mortgages, remained at 3.6%. Both rates are at all-time lows, following rate cuts last year in October and July. However, the latest decision came amid sustained yuan pressure, limiting the central bank's ability to loosen additional monetary policy, and growing concern about potential US policy adjustments under the incoming Trump administration. Copper rose overnight after Donald Trump was quoted as saying the United States will not impose tariffs on trading partners as soon as he is sworn in as president. Aluminium prices had a good run-up as the EU planned to penalize the import of primary aluminum from Russia, Market participants will monitor U.S. President Donald Trump's second-term policies following his inauguration.

Energy

Oil prices remained volatile following President Donald Trump's declaration of a national emergency on his first day in office with the goal of bolstering U.S. energy production. Trump also hinted at intentions for additional sanctions against Venezuela, which might tighten oil markets, although currency weakness kept crude losses to a minimum. While traders priced in a lower risk premium into crude following the signing of a ceasefire agreement between Israel and Hamas, attention remained on recent U.S. penalties on Russian petroleum. While Trump did flag plans for an America-first trade policy, markets bet that a softer stance on tariffs will help bring down inflation and interest rates in the long term. A less strict stance against China also bodes less pressure on the world's biggest oil importer, which could help underpin its appetite for crude. Natural gas market continues to see a lot of noise, as the market is not going to see a lot of volume during the Martin Luther King Jr. Day holiday with traders away from their desks in the United States. Traders stay focused on weather forecasts and try to evaluate whether inventories will continue to decline at a robust pace.

Base Metals (MCX)	Close (Rs.)	%Chg.
Copper	832	-0.6%
Aluminium	2560	1.4%
Nickel	1383	0.4%
Lead	178	0.2%
Zinc	278	1.3%

Daily LME Inventory		Current	W/W Chg.	Units
Copper	LME	260150	75	MT
	Shanghai	88796	10118	MT
Aluminum	LME	606875	-2500	MT
	Shanghai	178474	-3694	MT
Nickel	LME	170214	720	MT
	Shanghai	27479	-179	MT
Lead	LME	232650	-1725	MT
	Shanghai	43503	-1351	MT
Zinc	LME	199125	-2225	MT
	Shanghai	21040	-294	MT

Energy	Close (\$)	%Chg.
WTI Crude oil	76.98	0.9%
Natural gas	3.86	-7.9%

Inventory (EIA)	Current	W/W Chg.	Units
Crude oil	412.68	-1.96	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	230692	-15670
Natural Gas	55482	33999

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	
0.0%	67	2	2456.5	76500	88	705	540	6.7%
-7.5%	637	170	2149.5	77000	131.5	6465	2497	-7.9%
7.1%	120	37	1634	77500	214	3047	604	1.0%
-1.2%	1247	1708	1264	78000	364	14582	1857	-20.5%
33.1%	559	3577	939	78500	582	5400	468	-29.8%
37.0%	2680	25998	662.5	79000	871.5	9572	709	-40.9%
58.6%	414	4442	454.5	79500	1208	283	65	41.3%
16.6%	2070	10315	300.5	80000	1633	277	96	-19.3%
433.3%	32	608	200.5	80500	1983.5	0	0	0.0%

MCX Crude Oil

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
104.3%	239	2793	443.4	6400	139	43547	1586	41.7%
19.7%	85	427	398.5	6450	156.9	17667	1361	938.9%
49.1%	847	17346	369.2	6500	177.9	89135	5134	86.7%
578.8%	353	7617	345.1	6550	201.5	32036	1318	58.6%
163.0%	2301	63269	309.9	6600	225.9	108102	3941	1.9%
217.1%	761	27368	282.6	6650	253.4	29419	981	-44.3%
39.2%	4141	107955	258.7	6700	281.6	97698	3661	7.2%
126.9%	1377	34851	233.8	6750	312.6	14346	322	-32.9%
-3.0%	4482	86363	213.3	6800	343.9	22605	1392	-44.7%

MCX Natural Gas

% Chg in OI	Call		Particulars			Put		% Chg in OI
	OI	Volume	Premium	Strike	Premium	Volume	OI	
-1.0%	1388	1606	45.4	300	1.65	33619	12187	17.6%
34.3%	850	4298	37	310	3.5	45123	7101	3.6%
60.7%	2383	23903	30.45	320	6.85	60117	4871	3.0%
44.9%	887	24521	27.9	325	9.05	39470	1890	-4.9%
96.3%	3901	77897	24.55	330	255	71801	5369	29.8%
43.6%	1416	29820	22.1	335	14.5	18061	1925	-3.9%
14.3%	3898	52713	19.5	340	17.7	22435	2591	-35.9%
15.8%	5863	53090	15.55	350	24.8	8082	2564	-33.9%
6.0%	7526	26649	12.25	360	32.85	793	809	-24.0%

Level Playing Sheet

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Castor Seed	NCDEX	Feb	6,405	6,395	6,400	6,405	6,410	6,415	Bearish	Moderate	6403 - 6413
Cocudakl	NCDEX	Feb	2,765	2,726	2,746	2,764	2,784	2,802	Bearish	Moderate	2736 - 2774
Cotton	NCDEX	Jan	54,520	53,673	54,097	54,423	54,847	55,173	Bearish	Moderate	53885 - 54635
Dhaniya	NCDEX	Apr	8,388	8,279	8,333	8,377	8,431	8,475	Bearish	Moderate	8355 - 8453
Jeera	NCDEX	Jan	22,190	22,050	22,120	22,190	22,260	22,330	Bearish	Moderate	22155 - 22295
Guar Seed	NCDEX	Feb	5,476	5,221	5,348	5,439	5,566	5,657	Bearish	Moderate	5285 - 5503
Guar Gum	NCDEX	Feb	10,617	10,539	10,578	10,599	10,638	10,659	Bearish	Moderate	10559 - 10619
Mentha Oil	MCX	Jan	941	936	938.60	941	944	947	Flat	Moderate	940 - 945
Turmeric	NCDEX	Apr	14,030	13,835	13,933	14,007	14,105	14,179	Bearish	Moderate	13944 - 14116

Commodity	Exch.	Expiry	Close	S2	S1	Pivot	R1	R2	Trend	Conviction	Intraday Range
Gold	MCX	Feb	78544	77976	78260	78705	78989	79434	Bearish	High	78118 - 78847
Gold Comex	Comex	Jan	2744	2714	2729	2740	2755	2767	Bullish	Moderate	2735 - 2761
Silver	MCX	Mar	91442	90083	90762	91381	92060	92679	Bearish	Moderate	90423 - 91721
Silver Comex	Comex	Feb	31.02	30.44	30.73	31.11	31.40	31.78	Bullish	Moderate	31 - 31
Crude	MCX	Jan	6613	6456	6535	6633	6712	6810	Bearish	Moderate	6496 - 6673
Crude Nymex	Nymex	Feb	77.39	76.28	76.84	77.69	78.25	79.10	Bearish	Moderate	77 - 78
Nat Gas	MCX	Jan	332	318	325	333	339	347	Bearish	Moderate	322 - 336
BullDex	MCX	Jan	19095	18992	19044	19104	19156	19216	Bearish	Moderate	19018 - 19130
Copper	MCX	Jan	831.85	825	829	832	835	838	Bearish	Moderate	830 - 836
Zinc	MCX	Jan	278.40	275	277	278	280	281	Strong	Moderate	277 - 280
Lead	MCX	Jan	178	176	177	178	179	180	Strong	Moderate	178 - 180
Aluminum	MCX	Jan	256.20	254	255	256	257	258	Bullish	High	256 - 258

Navneet Damani

Head Research- Currencies and Commodities

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemang Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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