

Analysts – Kaynat Chainwala, Riteshkumar Sahu

August 1, 2024

Non Agri Commodity prices as on				31-Jul-24	
Commodity	High	Low	Close	Chg	% Chg
COMEX PRECIOUS METALS					
Gold (\$/toz)	2496.6	2449.2	2473.0	21.1	0.86
Silver (\$/toz)	29.2	28.4	28.9	0.4	1.45
MCX PRECIOUS METALS					
Gold (Rs/10 gram)	69696	69400	69655	477.0	0.69
Silver (Rs/kg)	83960	82890	83596	937.0	1.13
ENERGY					
Brent Crude oil (\$/bbl)	81.6	78.5	80.8	2.77	3.55
WTI Crude oil (\$/bbl)	78.7	75.2	77.9	3.18	4.26
NYMEX NG (\$/MMBtu)	2.149	2.023	2.036	-0.09	-4.23
MCX ENERGY					
Crude oil (Rs/bbl)	6536.0	6338.0	6524.0	232.0	3.69
Natural Gas (Rs/MMBtu)	180.8	171.2	172.5	-6.3	-3.52
LME BASE METALS (\$/tonne)					
Copper	9267.0	9025.5	9225.0	253.0	2.82
Aluminium	2324.5	2229.5	2290.5	66.0	2.97
Lead	2100.0	2038.5	2083.5	48.5	2.38
Zinc	2719.0	2645.0	2675.5	46.5	1.77
MCX BASE METALS (Rs/kg)					
Copper	795.8	786.8	794.6	10.25	1.31
Aluminium	209.6	209.6	209.6	0.00	0.00
Lead	208.2	206.0	207.1	0.10	0.05
Zinc	253.0	249.8	252.5	4.45	1.79
CURRENCIES					
Dollar Index	104.5	103.9	104.1	-0.46	-0.44
Euro/USD	1.085	1.080	1.083	0.00	0.10
GBP/USD	1.286	1.282	1.286	0.00	0.16
USD/YEN	153.9	149.6	150.0	-2.79	-1.83
USD/INR	83.8	83.7	83.7	0.00	0.00

Source: Bloomberg

MCX SPREAD MONITOR (M2-M1)			
Commodity	Current	Previous	Trend
Gold (Rs/10gm)	643	568	Widening
Silver (Rs/kg)	2148	2141	Widening
Copper (Rs/kg)	5.6	5.5	Widening
Aluminium (Rs/kg)	1.3	1.4	Narrowing
Lead (Rs/kg)	-25.3	-11.2	Widening
Zinc (Rs/kg)	-0.6	-1.8	Narrowing
Crude (Rs/bbl)	-72	-52	Widening
NG (Rs/mmBtu)	11.2	10.4	Widening
Gold Silver Ratio	84.4	84.9	Narrowing
Crude/NG Ratio	37.8	35.2	Widening

Source: Bloomberg

Bullion – Comex gold for December surged over 0.85% on weakness in dollar and softer treasury yields as the Fed moves closer to cutting interest rates from their two-decade high. Fed held rates steady, with Chairman Powell emphasizing the increasing importance of U.S. jobs data. The Fed's monetary policy statement indicated that a reduction in the target range is unlikely until inflation is consistently near 2%, acknowledging that inflation remains "somewhat elevated," but that risks are now more balanced. Additionally, geopolitical tensions, particularly following Israel's killing of a Hamas leader, boosted safe-haven demand. Meanwhile, investors are looking forward to US unemployment claims and ISM Manufacturing PMI data. Comex silver gained for the second session, tracking the surge in metals after the Chinese government pledged to implement support measures during this week's Politburo meeting.

Crude Oil – WTI crude futures surged by 4% yesterday, driven by escalating tensions in the Middle East after Iran reportedly ordered a retaliatory strike on Israel following the assassination of a Hamas leader on Iranian soil. The killing of Hamas leader Ismail Haniyeh in Tehran, along with Israel's assassination of Hezbollah's top commander in Beirut, has further heightened tensions in the region. Today, WTI crude oil prices continued to rise after yesterday's 4% rally, supported by increased geopolitical tensions and a fifth consecutive inventory draw, marking the longest losing streak since January 2022. However, any significant upside may be limited ahead of the OPEC meeting today, where no changes to output policy are expected.

Natural Gas - NYMEX Gas Futures slipped by 4.2% yesterday as traders assessed mixed weather forecasts with cooler weather in the Midwest against hot temperatures for most of the country. According to data from financial firm LSEG going back to 2018, lower 48 states are expected to average 83.5 degrees Fahrenheit on Thursday and 83.9 F on Friday, which would surpass the daily record high of 83.0 F set on July 20, 2022.

Base metals – LME base metals rallied yesterday on weaker dollar and increasing optimism that Beijing will boost stimulus measures for its struggling economy, following disappointing PMI figures. China's official manufacturing PMI contracted for the third consecutive month. LME copper surged by 2.8% to \$9,267 per tonne, Aluminum exceeded \$2,300 per tonne, and zinc closed with a 1.8% gain at \$2,675. Today, metals hold their gains, supported by ongoing dollar weakness, after Fed Chair Powell suggested that the Fed might cut borrowing costs as early as September. Interest rate swaps indicate that traders are fully expecting a quarter-point cut next month and a total of nearly 70 bps worth of reductions throughout the year.

TECHNICAL CHARTS

MCX GOLD (OCT) - Bias: Bullish, Range: 69400 - 70751



Source:-Tradingview, KS Commodity Research

MCX SILVER (SEP) - Bias: Bullish, Range: 82314 - 84894



Source:-Tradingview, KS Commodity Research

MCX CRUDE OIL (AUG) - Bias: Sideways to Bearish , Range: 6373 - 6633



Source:-Tradingview, KS Commodity Research

MCX COPPER(AUG) - Bias: Sideways to Bullish, Range: 794 - 818.55



Source:-Tradingview, KS Commodity Research

RATING SCALE FOR DAILY REPORT

BUY	We expect the commodity to deliver 1% or more returns
SELL	We expect the commodity to deliver (-1%) or more returns
SIDEWAYS	We expect the commodity to trade in the range of (+/-)1%
NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any	

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