

December 10, 2024

# Daily Commodities Outlook

## Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	January	Buy	76700-76750	77450	76400	Intraday

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## News and Developments

- Spot gold prices gained almost 1% on Monday amid safe haven demand and increased demand from China. Growing bets of loose monetary policy from major central banks also strengthened its gains. Last month PBOC has bought 160,000 ounce of gold after a six month pause. Further, increasing probability of 25 bps interest rate cut by the Fed in its December policy also supported the yellow metal to move towards \$2675.
- Silver gained the most on Monday and hit 4-week highs as China will adopt an "appropriately loose" monetary policy next year. Further more proactive fiscal policy shift also increased the bullish bets on the silver prices.
- The US dollar index remained in tight range as most investors remained cautious ahead of key CPI data this week. Meanwhile, increasing probability of 25 bps interest rate cut in December has checked it upside.
- US treasury yield rebounded from its day's lows and edged higher on Monday as most investors remained cautious ahead of key inflation number.
- NYMEX Crude oil prices rebounded from its 2-weeks low on China's policy shift and escalating geopolitical tension in the Middle East. China's ruling Politburo on Monday promised to loosen monetary policy for the first time in 14 years.
- Base metal prices traded higher on Monday hitting 1-month highs after China's politburo announces to loose monetary policy to achieved the GDP target of 5%. This raised bets the larger magnitude of economic support will continue to extend traction in China's manufacturing, outweighing the threat of sanctions from US.
- NYMEX Natural gas prices gained more than 2% on Monday as colder weather forecast in Midwestern states increased heating demand.

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	77486	1.13%	2660.3	1.02%
Silver	95197	2.97%	31.84	2.80%
Copper	831.1	1.13%	9232.0	1.20%
Aluminium	243.7	0.16%	2588.0	-0.60%
Zinc	291.7	1.98%	3126.0	1.77%
Lead	181.2	0.19%	2067.5	-0.19%
WTI Crude Oil	5825	1.73%	68.37	1.74%
US Nat Gas	271.5	3.63%	3.18	3.45%

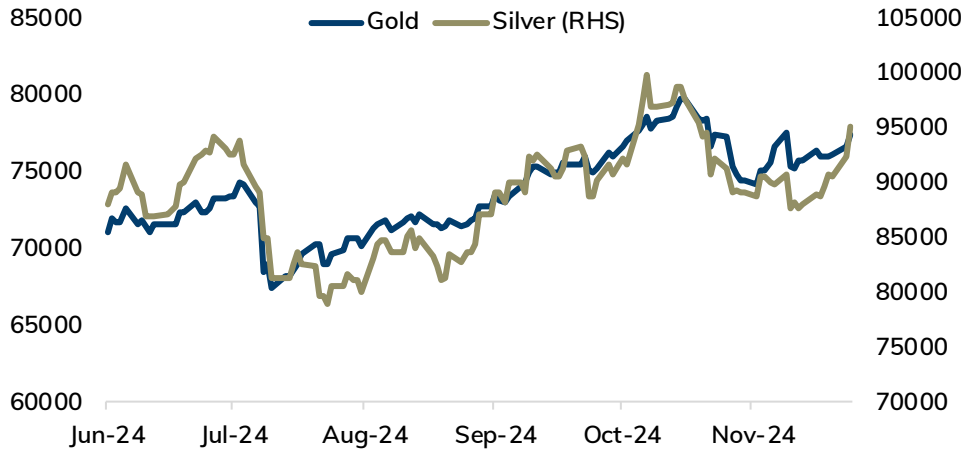
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th December)	84.83	0.05%	3352460	-3570	139490	-164403
EURINR (27th December)	89.80	-0.04%	17326	5268	7470	4162
GBPINR (27th December)	108.33	0.09%	21985	-6819	13129	11521

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	December	Sell	5800-5810	5650	5880	Exit in Loss

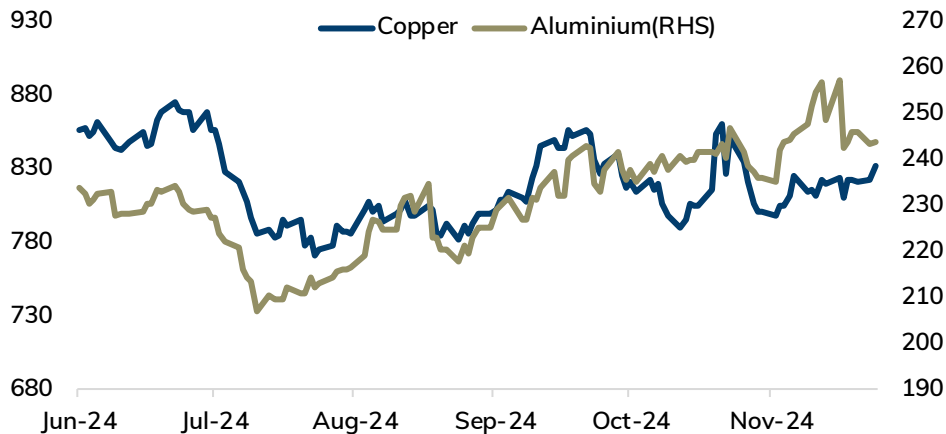
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is expected to trade higher amid growing prospects of loose monetary policy from major central banks. Escalating geopolitical tension in the Middle East and tension between Russia and Ukraine would enhance the safe appeal. Further, resumption of gold purchase by China to counter the impact of trade tariff concerns would provide support the bullions. Further, increasing chance of December rate cut by Fed would help the gold prices to move towards \$2700. Meanwhile, focus will shift towards this week's key inflation numbers which could give further clarity on central banks next move.
- Spot gold is likely to hold the support of 20 day EMA \$2645 and move towards \$2680. Above \$2680 it would rally towards \$2700. MCX Gold February is expected to hold above the 20 day EMA at 76840 and extend its rally towards 77,800.
- MCX Silver March is expected to move towards 96,200, as long as it holds above 94,000.

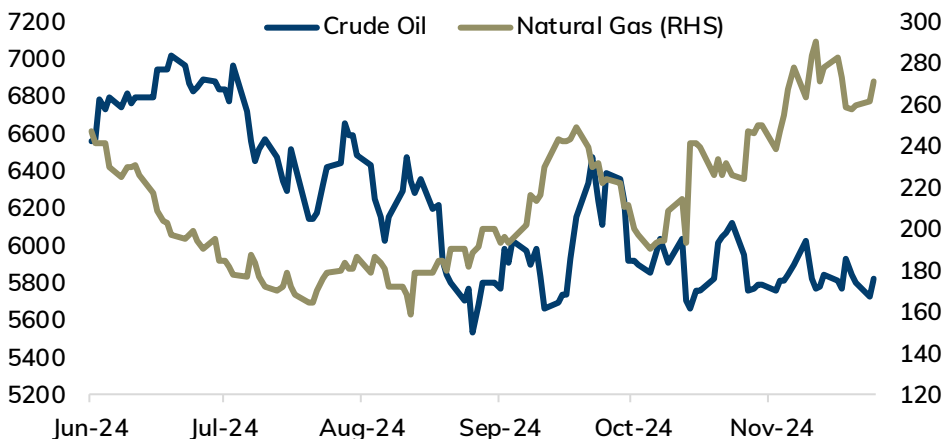
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected to move higher as China stimulus boosts demand hopes. Latest measures from China indicates a more pro active policy measure to counter the sluggish growth in the economy. Further, year end demand and steady spot premiums would provide support to the yellow metal. Prices may also find support on expectation of improved trade balance numbers and loan growth from China.
- MCX Copper December is expected to hold its gains and move towards 840, as long as it holds above 20 day EMA 818. Reversal in the oscillator would also indicates an upward movement in the red metal.
- Aluminum is expected to hold the support of 20 day EMA at 242 and move towards 246 amid higher global premiums and supply concerns from China.

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to face the hurdle near \$69 and move lower towards \$66.50 amid improving oil supply scenario. While, escalating geopolitical tension in the Middle East and concerns in Syria could provide some support to oil prices. Further, hopes of fresh round of stimulus from China could boost oil demand and help the oil prices to trade above \$66.50.
- On the data front, closer of OI in ITM call strikes indicates a short term rebound in price. But higher OI concentration near 70 call strike would act as major resistance. Further, a bearish cross over of 20 and 50 day EMA indicates price to face the hurdle near \$69 and move towards \$66.5. MCX Crude oil December is likely to face the hurdle near 5900 and move lower towards 5700.
- MCX Natural gas December future is expected to dip towards the 20 day EMA 258, as long as it trades under 276.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	76110	76798	77299	77987	78488
Silver	90432	92814	94363	96745	98294
Copper	812.1	821.6	827.6	837.1	843.2
Aluminium	241.1	242.4	243.8	245.1	246.6
Zinc	282.7	287.2	289.9	294.4	297.0
Lead	178.7	179.9	181.3	182.5	183.9
Crude Oil	5660	5742	5796	5878	5932
Nat Gas	261	266	271	276	281

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Dec)	84.76	84.79	84.82	84.85	84.87
US\$INR (Jan)	84.92	84.95	84.97	85.00	85.02
EURINR (Dec)	89.33	89.56	89.69	89.92	90.05
EURINR (Jan)	91.14	90.85	91.14	90.85	91.14
GBPINR (Dec)	107.55	107.94	108.34	108.73	109.14
GBPINR (Jan)	107.97	108.56	107.97	108.56	107.97
JPYINR (Dec)	56.88	57.01	57.09	57.23	57.31
JPYINR (Jan)	58.27	57.56	58.27	57.56	58.27

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.15	106.06	0.08%
US\$INR	84.73	84.70	0.04%
EURUSD	1.0554	1.0568	-0.13%
EURINR	89.54	89.59	-0.06%
GBPUSD	1.2750	1.2744	0.05%
GBPINR	108.19	108.07	0.11%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.718	6.745	-0.03
US	4.201	4.153	0.05
Germany	2.121	2.108	0.01
UK	4.270	4.275	-0.01
Japan	1.053	1.060	-0.01

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
04-12-2024	9:00 PM	-5.1M	-1.6M
27-11-2024	9:00 PM	-1.8M	-1.3M
20-11-2024	9:00 PM	0.5M	-0.1M
14-11-2024	9:00 PM	2.1M	0.4M
06-11-2024	9:00 PM	2.1M	0.3M
30-10-2024	8:00 PM	-0.5M	1.5M
23-10-2024	8:00 PM	5.5M	0.9M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	269800	0	0.00%
Aluminium	681600	-3000	-0.44%
Zinc	278125	-725	-0.26%
Lead	271300	-75	-0.03%
Nickel	166422	1158	0.70%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, December 9, 2024						
7:00 AM	China	CPI y/y	0.20%	0.40%	0.30%	High
7:00 AM	China	PPI y/y	-2.50%	-2.80%	-2.90%	High
3:00 PM	Europe	Sentix Investor Confidence	-17.5	-12.4	-12.8	Medium
Tuesday, December 10, 2024						
Tentative	China	Trade Balance	-	682B	679B	Medium
Wednesday, December 11, 2024						
7:00 PM	US	CPI y/y	-	2.70%	2.60%	High
9:00 PM	US	Crude Oil Inventories	-	-	-5.1M	Medium
Thursday, December 12, 2024						
4:00 PM	India	CPI y/y	-	5.50%	6.21%	High
6:45 PM	Europe	Main Refinancing Rate	-	3.15%	3.40%	High
7:00 PM	US	PPI m/m	-	0.30%	0.20%	High
7:00 PM	US	Unemployment Claims	-	221K	224K	High
9:00 PM	US	Natural Gas Storage	-	-	-30B	Medium
Friday, December 13, 2024						
5:20 AM	Japan	Tankan Manufacturing Index	-	13	13	Medium
12:30 PM	UK	GDP m/m	-	0.10%	-0.10%	High
3:30 PM	Europe	Industrial Production m/m	-	-0.10%	-2.00%	Medium
7:00 PM	US	Import Prices m/m	-	-0.20%	0.30%	Medium



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