

June 26, 2024

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	July	Sell	844-845	833	851	Intraday

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News and Developments

- Gold prices edged lower yesterday amid rise in US dollar and treasury yields. Hawkish comments from the Fed Governor Bowman boosted the dollar as she emphasized to hold the rates higher this year amid higher inflation. Meanwhile, prices found support amid safe-haven demand.
- Silver prices lost more than 1% amid strong dollar and hawkish stance from the Fed members.
- Dollar index recovered its earlier losses amid hawkish Fed comments and better than expected consumer confidence numbers. US CB consumer confidence rose to 100.4 against expectation of 100.0. Further rise in US National Home prices last month also pushed the dollar index towards 105.70.
- US 10-year treasury yields edged higher and settled near 4.26 and the 2-year treasury yields remained steady near 4.74
- NYMEX Crude oil prices traded lower today amid strong dollar. Further, increase in crude oil floating storage also checked its upside. Additionally, rise in API crude oil inventories this week restricted any major upside in oil price. Meanwhile, escalating tension in the Middle East and eastern Europe limited the downside in oil prices.
- Copper prices weakened to its 9-week low on Tuesday amid rise in inventory levels in major exchanges. Further, subdued demand from top metal consumer China and strong dollar weighed on the metal prices. China's fiscal revenue shrank at the fastest pace in more than year, which has raised the doubts on the metals demand and weighed on most of the base metals to trade lower.
- Natural Gas prices pared all its earlier gains and lost almost 2% yesterday amid rising output and lower demand forecast.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	71467	-0.45%	2319.62	-0.64%
Silver	86937	-2.32%	28.91	-2.26%
Copper	838.9	-1.06%	9571.00	-0.93%
Aluminium	228.3	-0.44%	2496.00	-0.28%
Zinc	258.4	0.39%	2871.00	0.88%
Lead	189.0	0.75%	2209.50	1.21%
WTI Crude Oil	6771	-0.75%	80.83	-0.98%
US Nat Gas	240.7	-0.58%	2.76	-1.96%

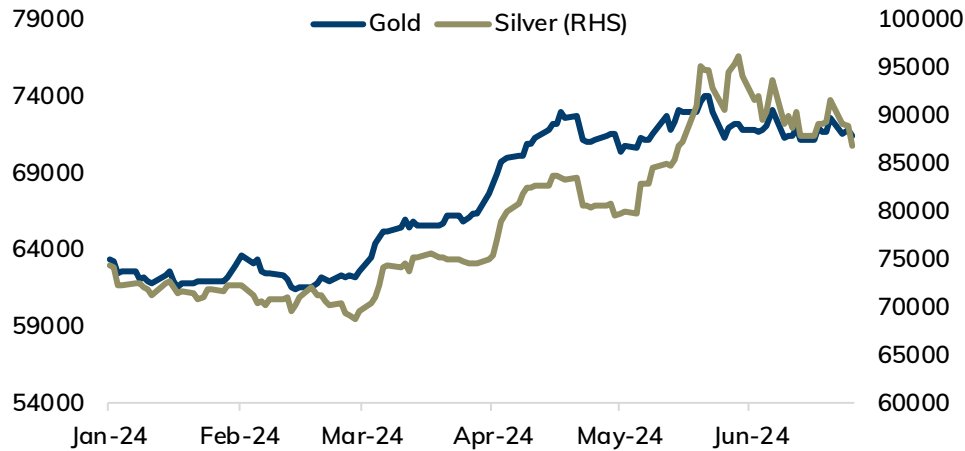
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th June)	83.43	-0.07%	2081712	-90778	607466	98971
EURINR (26th June)	89.49	-0.03%	9789	-2511	3225	1471
GBPINR (26th June)	105.90	0.16%	5277	-700	1687	428

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	July	Buy	6750-6760	6880	6680	Profit Booked

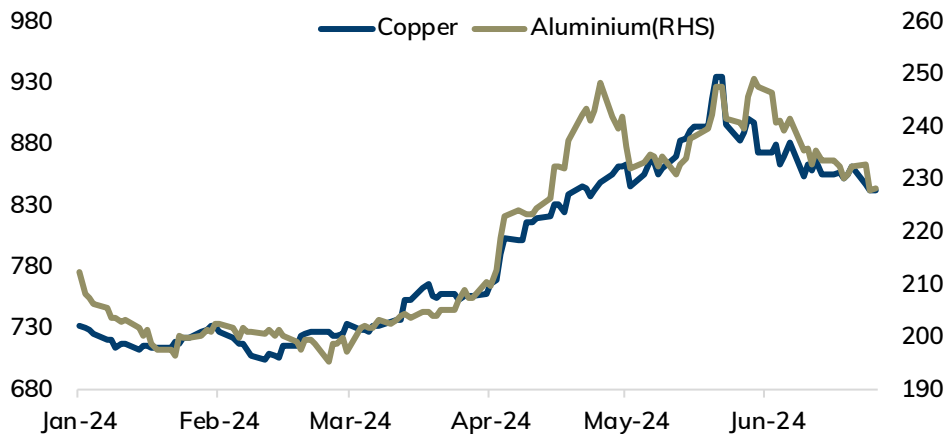
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to remain in a tight range with a weaker bias amid strong dollar and hawkish comments from the Fed members. Further, improved housing data from US could also support the dollar to hold its gains. Meanwhile, safe haven bids on the back of geopolitical and economic uncertainties might help the precious metal to trim its losses. Meanwhile, addition of OI in OTM calls indicates prices to face resistance near \$2350.
- MCX Gold Aug is expected to dip towards the key support near 71200 as it has breached the intermediate consolidation range of 71500-72000. Formation of bearish engulfing on the daily charts would limit its upside. Only close below 71,200, it would weaken towards 71,000.
- MCX Silver July is expected to move lower towards 86,000, as long as it trades under 88,200.

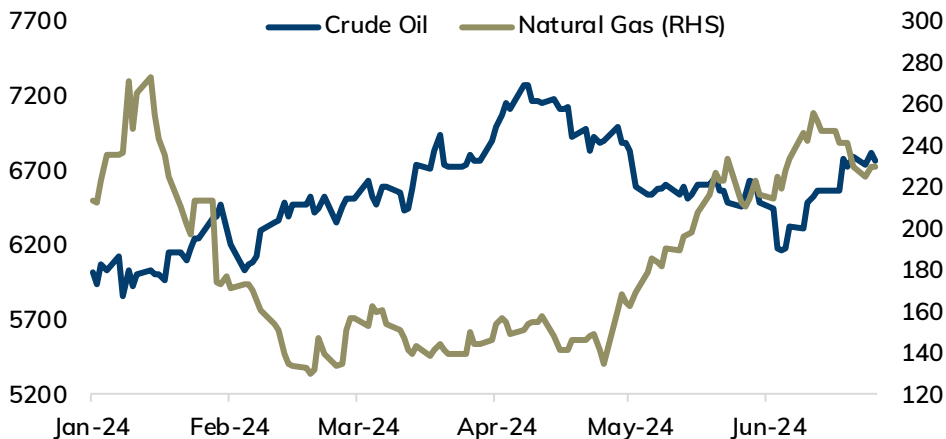
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to remain under pressure amid demand concerns from China. Sluggish growth in the housing sector despite recent measures from the Chinese official would weigh on the metals. Further, rise in inventory levels in LME and other major exchanges would limit its upside. Meanwhile, hopes of fresh round of stimulus from China could limit its downside.
- MCX Copper July is expected to face the hurdle near 848 and move lower towards 830. Bearish cross over of 10 and 20 day EMA in the daily charts along with bearishness in the oscillator (RSI below 50) would weaken the metal towards 830.
- Aluminum is expected to trade weak and move towards 227, as long as it remains under 231 mark.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to hold the support near the \$80 mark and move towards the \$82 mark amid supply concerns and forecast of decline in oil and gasoline inventory. Further, escalating Mideast tension and decline in oil exports from Russian due to recent attacks on the oil refinery would support the oil to hold firms. On the other hand, disappointing economic numbers from China and stronger dollar due to hawkish comments from the Fed members would restrict its upside. Moreover, higher OI concentration at OTM call strikes indicates price may face stiff resistance near \$84. on the downside \$80 holds as key support.
- MCX Crude oil July is likely to hold the 10 day EMA support near 6680, and move higher towards 6900. Above 6900. it would rise towards 7000.
- MCX Natural gas July is likely hold the support near 234 and rise back towards 250.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	71032	71250	71583	71801	72134
Silver	85155	86046	87601	88492	90047
Copper	828.8	833.9	843.3	848.3	857.7
Aluminium	226.4	227.4	228.8	229.7	231.1
Zinc	256.0	257.2	258.5	259.6	260.9
Lead	186.1	187.6	188.4	189.9	190.7
Crude Oil	6705	6738	6784	6817	6863
Nat Gas	234	238	242	245	250

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (June)	83.36	83.40	83.45	83.49	83.54
US\$INR (July)	83.46	83.49	83.53	83.56	83.60
EURINR (June)	89.33	89.41	89.53	89.61	89.73
EURINR (July)	89.54	89.61	89.73	89.80	89.92
GBPINR (June)	105.72	105.81	105.89	105.98	106.06
GBPINR (July)	105.80	105.86	105.91	105.97	106.02
JPYINR (June)	51.93	52.16	52.28	52.51	52.63
JPYINR (July)	52.67	52.69	52.69	52.71	52.72

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	105.61	105.47	0.13%
US\$INR	83.43	83.47	-0.04%
EURUSD	1.0714	1.0733	-0.18%
EURINR	89.48	89.50	-0.02%
GBPUSD	1.2686	1.2686	0.00%
GBPINR	105.88	105.74	0.13%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.986	6.974	0.00
US	4.248	4.232	0.00
Germany	2.412	2.419	0.00
UK	4.079	4.081	0.00
Japan	1.004	0.996	0.01

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
6/20/2024	8:30 PM	-2.5M	-2.8M
6/12/2024	8:00 PM	3.7M	-1.2M
6/5/2024	8:00 PM	1.2M	-2.1M
5/30/2024	8:30 PM	-4.2M	-1.6M
5/22/2024	8:00 PM	1.8M	-2.4M
5/15/2024	8:00 PM	-2.5M	-0.4M
5/8/2024	8:00 PM	-1.4M	-1.0M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	172850	5025	2.99%
Aluminium	1044325	-5500	-0.52%
Zinc	240200	-200	-0.08%
Lead	223525	-425	-0.19%
Nickel	92010	1104	1.21%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, June 24, 2024						
1:30 PM	Europe	German ifo Business Climate	88.6	89.4	89.3	Medium
3:30 PM	UK	CBI Industrial Order Expectations	-18	-26	-33	Medium
Tuesday, June 25, 2024						
6:30 PM	US	S&P/CS Composite-20 HPI y/y	7.20%	7%	7.40%	Medium
7:30 PM	US	CB Consumer Confidence	100.4	100.2	102	High
7:30 PM	US	Richmond Manufacturing Index	-10	2	0	Medium
Wednesday, June 26, 2024						
11:30 AM	Europe	German GfK Consumer Climate	-	-19.9	-20.9	Medium
7:30 PM	US	New Home Sales	-	650K	634K	Medium
8:00 PM	US	Crude Oil Inventories	-	-	-2.5M	Medium
Thursday, June 27, 2024						
6:00 PM	US	Final GDP q/q	-	1.40%	1.30%	High
6:00 PM	US	Unemployment Claims	-	240K	238K	High
6:00 PM	US	Durable Goods Orders m/m	-	-0.10%	0.60%	High
6:00 PM	US	Goods Trade Balance	-	-96B	-99.4B	Medium
7:30 PM	US	Pending Home Sales m/m	-	-	-7.70%	Medium
8:00 PM	US	Natural Gas Storage	-	-	71B	Medium
Friday, June 28, 2024						
5:00 AM	Japan	Tokyo Core CPI y/y	-	2%	1.90%	Medium
11:30 AM	UK	Current Account	-	-17.7B	-21.2B	Medium
6:00 PM	US	Core PCE Price Index m/m	-	0.10%	0.20%	High
7:15 PM	US	Chicago PMI	-	40	35.4	Medium
7:30 PM	US	Revised UoM Consumer Sentiment	-	65.9	65.6	High



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