

April 15, 2024

Daily Currency & Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	April	Buy	823-824	836	816	Intraday

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News and Developments

- Spot Gold retreated back below the \$2400 despite heightened geopolitical risk. Earlier prices rallied amid growing tension in the Middle East. Bullions also got support amid central bank buying and improved physical demand. Silver also rallied and went past the \$29 per ounce for the first time since 2013 buoyed by increased funds purchase and higher safe haven bids.
- Dollar index made a strong up move and hit the 106 mark amid safe haven buying and mixed central bank views. Diverging central bank policy has strengthened the dollar to extend its rally after ECB indicated it would cut the rates in June.
- Yields on benchmark US 10-year treasury note moved lower to 4.50% and 2-year treasury yield, which typically moves in step with interest rate expectations ended on a negative side as geopolitical concerns spurred safe-haven buying.
- Crude oil prices pulled back from its earlier highs in nervous trade dominated by reports that an Iranian attack on Israel could come any time soon.
- Copper prices hit its highest levels last seen nearly two years amid supply concerns and expectation of fresh round of stimulus in China. Further, lower supply of copper ore in April also supported the metal to trade higher.
- Natural gas prices recovered from its earlier losses amid forecast of cooler US weather.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	71843	0.28%	2344.37	-1.19%
Silver	82813	-0.04%	27.88	-1.99%
Copper	820.6	0.49%	9457.50	1.24%
Aluminium	226.5	1.05%	2494.00	1.63%
Zinc	246.2	1.11%	2828.50	2.54%
Lead	187.9	0.24%	2176.50	1.56%
WTI Crude Oil	7187	1.10%	85.66	0.75%
US Nat Gas	148.5	0.54%	1.77	0.34%

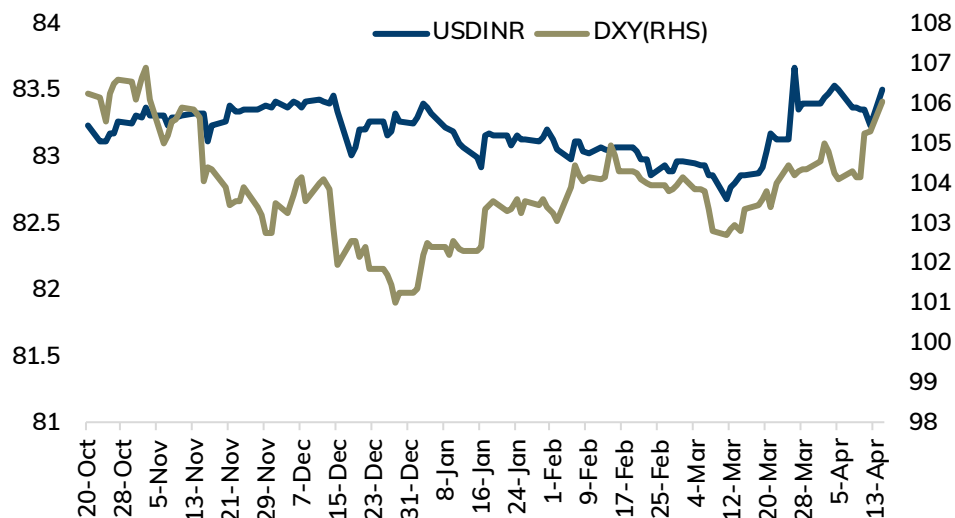
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Apr)	83.50	0.32%	2456689	132761	560446	-168884
EURINR (26th Apr)	89.06	-1.42%	38986	-2525	36175	29870
GBPINR (26th Apr)	104.18	-1.33%	46335	-9481	41601	17572

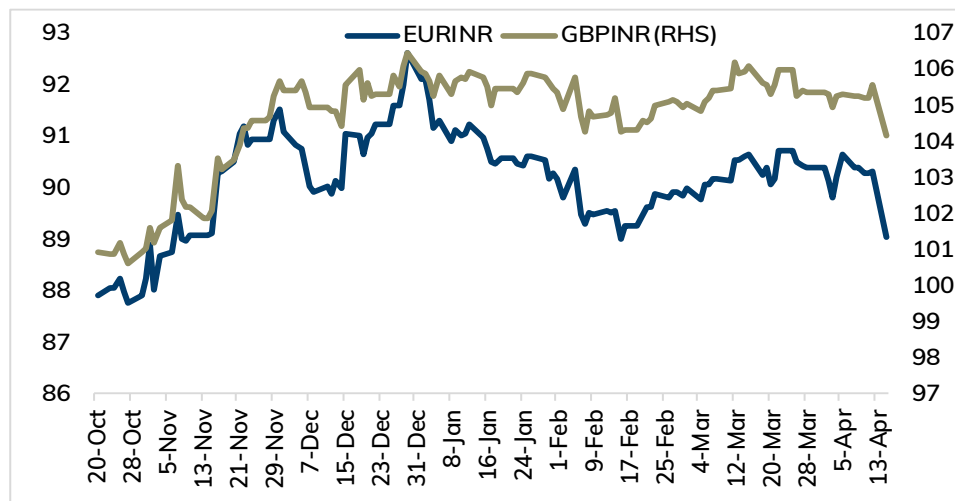
Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	April	Buy	7070-7060	7200	7000	Not Initiated

Dollar Index vs. US\$INR



EURINR vs. GBPINR



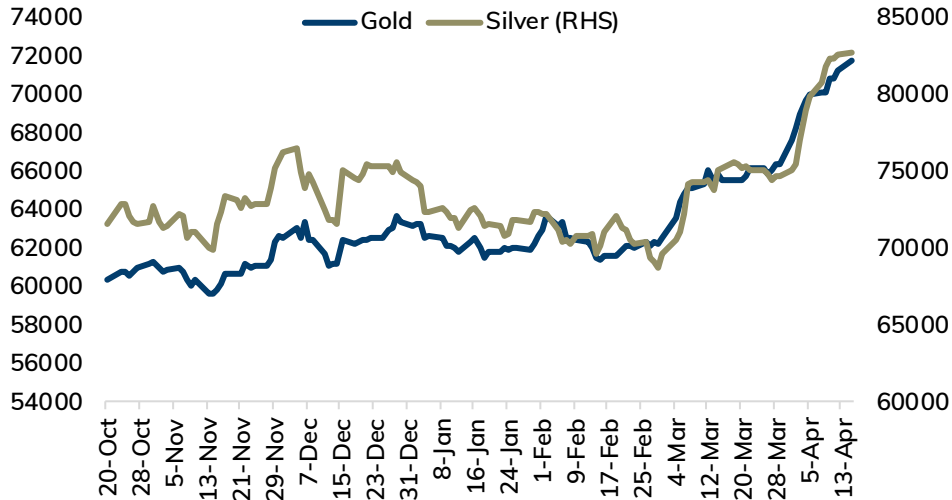
Rupee Outlook

- Rupee ended on a negative note on Friday amid strong dollar and risk aversion in the domestic markets. Market sentiments were hurt on fears that Iran might retaliate for an airstrike on its embassy in Damascus
- Rupee is likely to depreciate today amid strong dollar and risk aversion in the global markets. Dollar is gaining strength buoyed by escalating tension in Middle East and as hotter than expected inflation data from US pushed back bets for Federal Reserve first rate cut until later in this year. Additionally, rupee may slip on surge in crude oil prices after Iran's retaliatory attack on Israel stoked fears of wider regional conflict. Meanwhile, India's CPI data showed inflation remained under RBI tolerance band. Inflation eased to 4.85% in March as compared to 5.09% in February. USDINR April likely to hold the support near 83.35 (10-Day EMA) and rise towards 83.65 level.

Euro and Pound Outlook

- Euro slipped by 0.82% on Friday amid strong dollar and risk aversion in the global markets. Further, euro slipped on dovish comments from ECB Governing Council members. Officials said they expect ECB to start cutting rate's cuts in June. For today, EURUSD is likely to slip further towards 1.0600 level as long as it trades below 1.0700 levels amid pessimistic global market sentiments and divergence in monetary policy. US Fed is expected to delay rate cuts while ECB is expected to start cutting rates in June. EURINR April is likely to move further south towards 88.60 levels as long as it trades below 89.20 levels
- Pound is expected to slip towards 1.2390 levels as long as it trades below 1.2470 levels amid strong dollar and risk aversion in the global markets. GBPINR April is likely to break the major support level of 104.10 level (200-Day EMA) and slip further towards 103.60 level. Pair may face immediate resistance near 104.10 level and then near 104.30 level

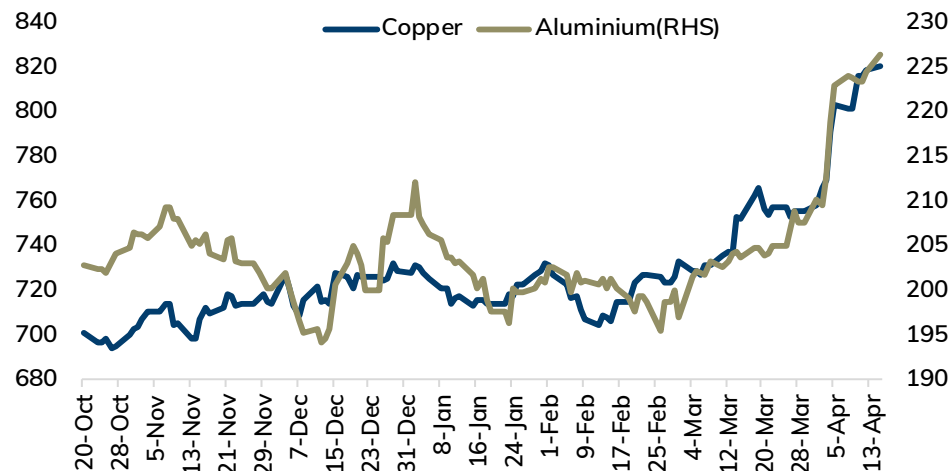
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is likely to hold its gains and trade with the positive bias amid safe haven buying. Escalating tension in the Middle East after the recent attacks by Iran on Israel over the weekend stoked fears of a wider regional conflict. Spot gold prices likely to rise towards \$2420 levels as long as it stays above immediate support near \$2330 level. Meanwhile, focus will remain on any retaliatory action from Israel against Iran. Moreover, data from US would also be eyed by the traders to get further clarity.
- MCX Gold June is likely to rise further towards 73,200 level as long as it stays above 71,500 level. A move above 73,200 level it may push the price towards 73,600 level. On the contrary, close below 71,500 level it may correct towards its immediate support of 70600 level.
- MCX Silver May is expected to rise towards 84,500 level as it sustains above 82,200 level.

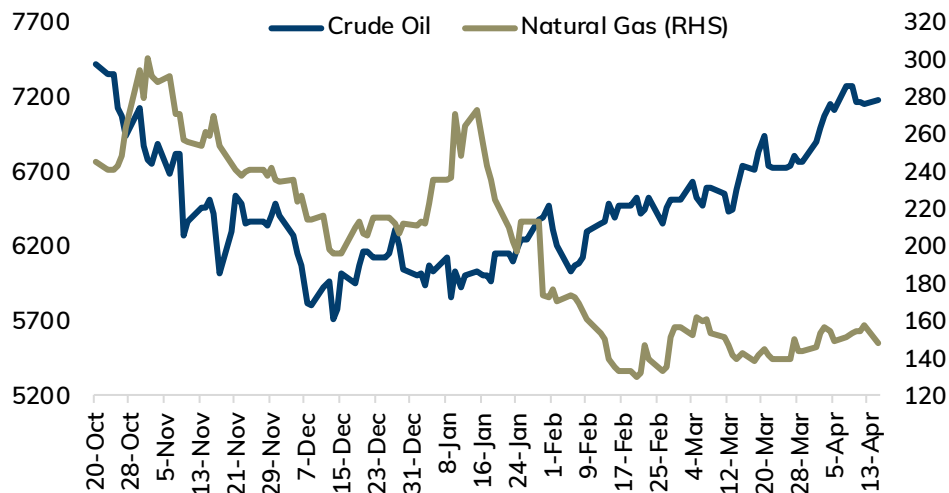
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices expected to trade with positive bias amid worries about supply disruption and sign of economic recovery from the top metal consumer China. Tight copper mine supply has been impacting the refined production. Further, renewed hopes of fresh round of stimulus from China would also support the rally in the base metals. Moreover, latest sanction on Russian supplies of copper and aluminum by US and UK could also helped the metal to trade with positive bias.
- MCX Copper is expected to move north towards 840 level as long as it stays above 816 level. A break above 840 would open doors for 848 levels.
- Aluminum is expected to hold the support at 224 and move higher towards 230. Only close below 224 it would move towards 221 mark.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to move back towards \$88 level as long as it trades above \$84 level amid heightened tension in the Middle-East, which could risk disruption to supply from the oil producing region. Recent attack by Iran on Israel has caused a major threat to supply from the Middle east nations. Meanwhile, further gains may depend on how Israel and the West nations choose to retaliate.
- MCX Crude oil is likely to rise towards back towards 7300 levels as long as it trades above 7050 levels. A move above 7300 would open the upside towards 7400.
- Natural gas April is expected to hold support near 144 and move back towards 155 on cooler US weather forecasts. However, higher inventories and drop in LNG export could restrict its upside .

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	70248	71045	72502	73299	74756
Silver	80332	81573	83849	85090	87366
Copper	806.7	813.6	825.0	831.9	843.3
Aluminium	222.4	224.4	226.9	228.9	231.4
Zinc	242.3	244.2	247.7	249.7	253.2
Lead	186.2	187.1	188.3	189.2	190.4
Crude Oil	7026	7107	7214	7295	7402
Nat Gas	144	146	148	150	152

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	83.25	83.38	83.44	83.57	83.64
US\$INR (May)	83.33	83.45	83.52	83.63	83.70
EURINR (Apr)	88.48	88.77	89.28	89.57	90.09
EURINR (May)	88.55	89.00	89.75	90.20	90.95
GBPINR (Apr)	103.24	103.71	104.61	105.08	105.97
GBPINR (May)	103.54	103.98	104.79	105.23	106.04
JPYINR (Apr)	54.41	54.51	54.61	54.71	54.80
JPYINR (May)	55.05	55.15	55.26	55.37	55.48

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.04	105.28	0.72%
US\$INR	83.42	83.19	0.27%
EURUSD	1.0643	1.0726	-0.77%
EURINR	88.93	90.38	-1.60%
GBPUSD	1.2452	1.2553	-0.80%
GBPINR	104.26	105.63	-1.29%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.179	7.112	0.067
US	4.522	4.587	-0.0649
Germany	2.359	2.463	-0.104
UK	4.137	4.201	-0.064
Japan	0.855	0.871	-0.016

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
10-04-2024	8:00 PM	5.8M	0.9M
03-04-2024	8:00 PM	3.2M	-0.3M
27-03-2024	8:00 PM	3.2M	-0.7M
20-03-2024	8:00 PM	-2.0M.	-0.9M
13-03-2024	8:00 PM	-1.5M	0.9M
06-03-2024	9:00 PM	1.4M	2.4M
28-02-2024	9:00 PM	4.2M	3.1M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	124425	-425	-0.34%
Aluminium	523100	-1525	-0.29%
Zinc	258475	-450	-0.17%
Lead	271525	0	0.00%
Nickel	75516	264	0.35%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, April 15, 2024						
2:30 PM	Europe	Industrial Production m/m		0.80%	-3.20%	Medium
6:00 PM	US	Retail Sales m/m		0.40%	0.60%	High
6:00 PM	US	Empire State Manufacturing Index		-5.2	-20.9	High
Tuesday, April 16, 2024						
7:30 AM	China	Industrial Production y/y		6.00%	7.00%	High
7:30 AM	China	GDP q/y		4.80%	5.20%	Medium
11:30 AM	UK	Claimant Count Change		17.2k	16.8k	High
11:30 AM	UK	Average Earnings Index 3m/y		5.50%	5.60%	Medium
6:00 PM	US	Building Permits		1.51M	1.52M	Medium
6:00 PM	US	Industrial Production m/m		0.40%	0.10%	Medium
10:45 PM	US	Fed Chair Powell Speaks		-	-	High
Wednesday, April 17, 2024						
11:30 AM	UK	CPI y/y		3.10%	3.40%	High
2:30 PM	Europe	Final CPI y/y		2.40%	2.40%	Medium
8:00 PM	US	Crude Oil Inventories		-	5.8M	Medium
9:30 PM	UK	BOE Gov Bailey Speaks		-	-	High
Thursday, April 18, 2024						
6:00 PM	US	Unemployment Claims		214k	211k	Medium
7:30 PM	US	Existing Home Sales		4.20M	4.38M	Medium
Friday, April 19, 2024						
11:30 AM	UK	Retail Sales m/m		0.30%	0.00%	High



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