

October 9, 2024

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Natural Gas	October	Sell	233-234	225	238	Intraday

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News and Developments

- Spot gold prices ended on negative note losing almost 1% on firm dollar and higher global government bond yields. Further, recent job data has lowered expectations for hefty rate cut from US Fed. Meanwhile, World Gold Council said, global physically backed gold exchange-traded funds registered a 5th consecutive month of inflows in September as North America-listed funds added to their holdings
- Silver prices declined more than 3% yesterday on negative carryover from a slide in base metal prices after China's economic planning agency failed to announce any new significant stimulus measures
- Dollar held steady near 7 week high on improved economic data from US and hawkish comments from Fed officials. Additionally, fear of wider conflict in Middle East drove bids for safe haven
- US August trade deficit eased to a 5-month low of \$70.4 billion from \$78.9 billion in July, a smaller deficit than expectations of \$70.5 billion
- US Treasury yields corrected yesterday as investors await minutes of the central bank's September meeting for more clarity on what prompted a jumbo rate cut. The benchmark US Treasury 10-year yield dipped to 4.016%, while 2-year treasury yield, which typically moves in step with interest rate expectations decline to 3.960%.
- Crude oil prices settled lower yesterday losing more than 4% on firm dollar and news of possible ceasefire between Hezbollah and Israel. Meanwhile, further downside was cushioned as Hurricane Milton strengthened into a Category 5 storm forcing at least one oil and gas platform in the Gulf of Mexico to shut
- Copper prices ended on negative note losing more than 1.5% yesterday as market was disappointed after briefing from the National Development and Reform Commission in China signaled no additional stimulus measures

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	75161	-1.16%	2621.83	-0.79%
Silver	88729	-3.93%	30.67	-3.21%
Copper	848.7	-2.20%	9742.50	-1.88%
Aluminium	237.0	-3.25%	2571.00	-3.27%
Zinc	281.8	-2.44%	3091.00	-2.63%
Lead	184.7	-1.39%	2103.00	-2.12%
WTI Crude Oil	6244	-3.57%	73.57	-4.63%
US Nat Gas	231.8	0.70%	2.73	-0.47%

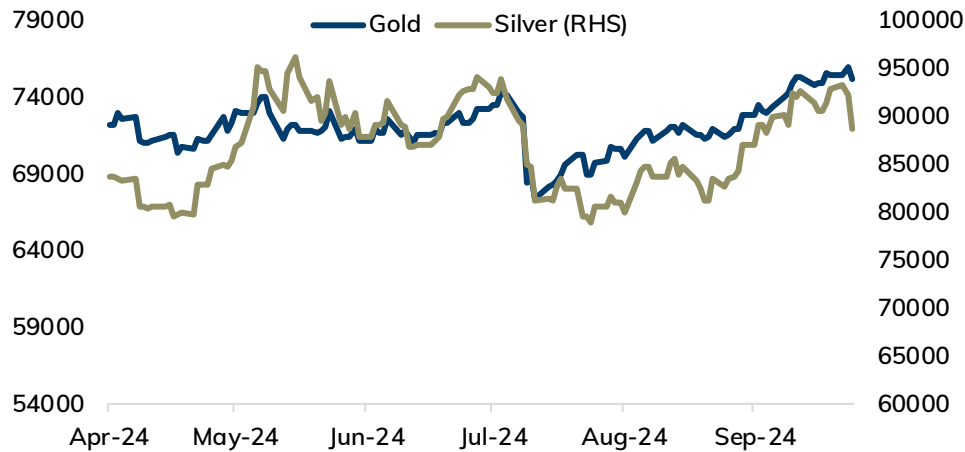
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th October)	84.04	-0.03%	2634214	-907	76825	-1308057
EURINR (29th October)	92.39	0.16%	29215	37	859	-5840
GBPINR (29th October)	110.04	0.04%	25543	250	3021	-16741

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	October	Buy	849-850	858	845	Stoploss triggered

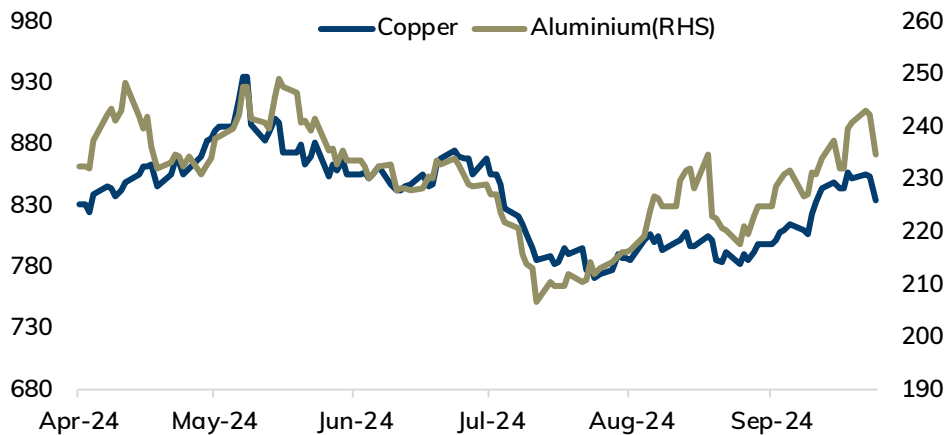
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to slip further towards \$2600 level amid firm dollar and rise in global bond yields. Further, investors will remain cautious ahead of FOMC meeting minutes as it will provide in-depth understandings into the economic and financial conditions that influenced their vote on interest rates. Moreover, as per CME FedWatch tool, markets has priced out a 50bps reduction at the November meeting. Rise in OI concentration at \$2650 call strike would act as immediate resistance for price.
- Spot Gold is likely to slip further towards \$2600 level as long as it stays below \$2635 level (10-Day EMA). MCX Gold December is expected to move further south towards 74,500 level as long as it trades below 75,550 level.
- Spot Silver is expected to dip further towards \$30 level as long as it stays below \$31.0 level (20-Day EMA). MCX Silver December is expected to decline further towards 87,000 level as long as it trades below 90,000 level (20-Day EMA). A break below 87000 it would slip further towards 86,000

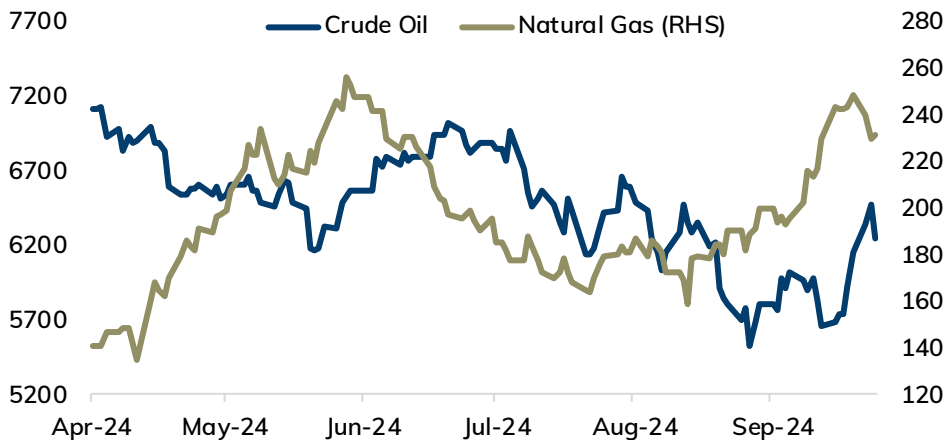
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with negative bias amid firm dollar and risk aversion in the global markets. Further, prices may dip as China's economic planning agency failed to announce any new significant stimulus measures. Moreover, prices may dip further on growing expectations of less aggressive monetary easing by US Fed following stronger than expected job report. Additionally, investors will remain cautious ahead of FOMC meeting minutes and comments from Fed officials to get more clarity on rate trajectory
- MCX Copper October is expected dip further towards 820 level as long as it trades below 842 level. A break below 820 prices may move further south towards 813 level
- MCX Aluminium is expected to move further south towards 232 level as long as it stays below 238 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected slip further towards \$72.50 level amid firm dollar and pessimistic global market sentiments. Further, prices may dip on demand concerns from China after National Development and Reform Commission failed to provide new details of policy support measures. Additionally, as per API figures US crude oil stockpiles rose nearly 11 million barrels last week. Moreover, prices may dip on easing concerns about wider Middle East conflict amid reports that Hezbollah is seeking a ceasefire. Furthermore, investors will keep an close eye on official government crude oil inventory report due today
- MCX Crude oil is likely to slip further towards 6070 level as long as it stays below 6350 level. A break below 6070 level it would dip further towards 5950 level
- MCX Natural gas October is expected to slip further towards 224 level as long as it trades below 238 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	74151	74656	75388	75893	76625
Silver	85724	87226	89725	91227	93726
Copper	832.6	840.7	852.7	860.7	872.7
Aluminium	233.1	235.1	238.7	240.7	244.3
Zinc	278.6	280.2	283.2	284.7	287.7
Lead	182.9	183.8	185.0	185.9	187.2
Crude Oil	5947	6095	6263	6411	6579
Nat Gas	224	228	231	235	238

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	83.96	84.00	84.03	84.08	84.11
US\$INR (Nov)	84.09	84.11	84.15	84.17	84.20
EURINR (Oct)	92.17	92.28	92.38	92.49	92.60
EURINR (Nov)	92.10	92.26	92.41	92.57	92.72
GBPINR (Oct)	109.67	109.85	110.05	110.24	110.44
GBPINR (Nov)	110.21	110.51	110.30	110.59	110.38
JPYINR (Oct)	56.70	56.80	56.90	57.00	57.10
JPYINR (Nov)	56.98	57.12	56.98	57.12	56.98

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	102.55	102.54	0.01%
US\$INR	83.96	83.98	-0.02%
EURUSD	1.0980	1.0976	0.04%
EURINR	92.26	92.02	0.26%
GBPUSD	1.3104	1.3083	0.16%
GBPINR	109.94	109.77	0.16%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.807	6.852	-0.04
US	4.012	4.026	-0.01
Germany	2.243	2.256	-0.01
UK	4.184	4.208	-0.02
Japan	0.927	0.934	-0.01

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
10/2/2024	8:00 PM	3.9M	-1.5M
9/25/2024	8:00 PM	-4.5M	-1.3M
9/18/2024	8:00 PM	-1.6M	-0.2M
9/11/2024	8:00 PM	0.8M	0.9M
9/5/2024	8:30 PM	-6.9M	-0.6M
8/28/2024	8:00 PM	-0.8M	-2.7M
8/21/2024	8:00 PM	-4.6M	-2.0M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	296275	-1025	-0.34%
Aluminium	777775	-2500	-0.32%
Zinc	242400	-1700	-0.70%
Lead	198425	-200	-0.10%
Nickel	131850	-6	0.00%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, October 07, 2024						
2:00 PM	Europe	Sentix Investor Confidence	-13.8	-14.6	1-5.4	Medium
2:30 PM	Europe	Retail Sales m/m	0.20%	0.20%	0.10%	Medium
Tuesday, October 08, 2024						
11:30 AM	Europe	German Industrial Production m/m	2.90%	0.80%	-2.40%	Medium
6:00 PM	US	Trade Balance	-70.4B	-70.6B	-78.8B	Medium
Wednesday, October 09, 2024						
10:00 AM	India	RBI Interest Rate decision	-	6.50%	6.50%	High
8:00 PM	US	Crude Oil Inventories	-	-	3.9M	Medium
11:30 PM	US	FOMC Meeting Minutes	-	-	-	High
Thursday, October 10, 2024						
6:00 PM	US	CPI y/y	-	2.30%	2.50%	High
6:00 PM	US	Unemployment Claims	-	229K	225K	High
8:00 PM	US	Natural Gas Storage	-	-	55B	Medium
Friday, October 11, 2024						
11:30 AM	UK	GDP m/m	-	0.20%	0.00%	High
11:30 AM	UK	Industrial Production m/m	-	0.20%	-0.80%	Medium
6:00 PM	US	PPI m/m	-	0.10%	0.20%	High
7:30 PM	US	Prelim UoM Consumer Sentiment	-	70.5	70.1	Medium
7:30 PM	US	Prelim UoM Inflation Expectations	-	-	2.70%	Medium



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