

July 9, 2024

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	August	Buy	72060-72100	72750	71800	Intraday

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News and Developments

- Gold prices declined on Monday after last week's sharp rally over expectation that the US Federal reserve would cut the rates in September amid soft US job report. But profit booking ahead of the key economic numbers and comments from the Fed members pulled the bullions from its one-month high. Further, pause in buying of gold by PBOC for the 2nd-time in June also weighed on the metal to slide towards \$2360.
- Spot silver lost the most and shed more than 1% amid rise in US dollar index and weakness in German economy. Weaker than expected German trade data indicated sluggish growth in the industrial activity.
- Dollar index traded in a tight range on Monday, as most traders awaited for clarity on the interest rate outlook from the Fed chair this week. Further, better than expected US consumer credit data supported the dollar to rebound from its 3-weeks low.
- NYMEX Crude oil prices traded lower on Monday, retreating from its two-month highs amid demand concerns from China after data indicated lower demand. Further, expectation of improvement of supplies as the Hurricane Beryl did not cause any major disruption also weighed on the oil prices. Additionally, ceasefire talks between Israel and Hamas dragged the prices towards the \$82 mark
- Copper prices pared its earlier gains as weak demand from China overshadowed the prospects of US interest rate cuts this year. Further, higher inventory levels in LME and SHFE restricted the upside in the metal.
- Natural Gas prices, recovered from its 8-week low and edged higher amid forecast of warmer US temperature.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	72333	-0.98%	2359.13	-1.38%
Silver	92614	0.39%	30.76	-1.46%
Copper	869.8	-0.62%	9915.00	-0.29%
Aluminium	232.7	-0.60%	2531.50	-0.16%
Zinc	271.6	-1.49%	2955.50	-1.52%
Lead	190.2	0.03%	2231.50	-0.25%
WTI Crude Oil	6878	-1.42%	82.33	-1.00%
US Nat Gas	197.8	1.12%	2.37	2.03%

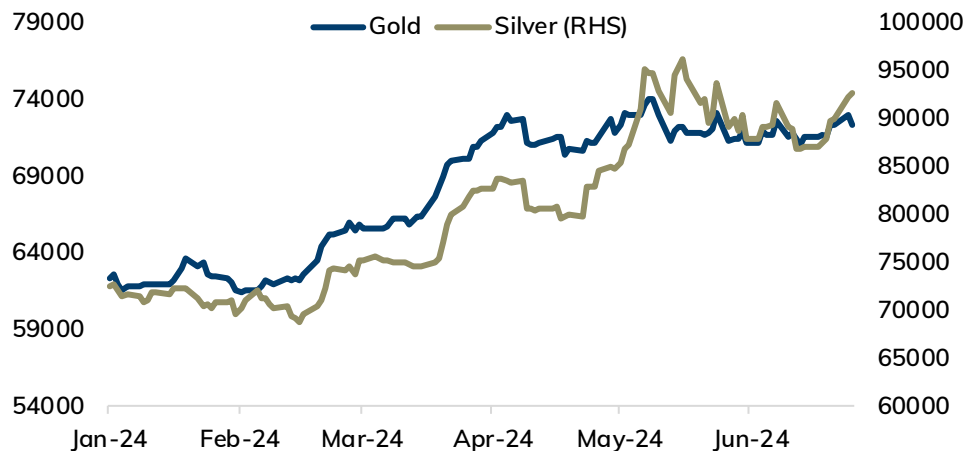
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th July)	83.56	0.01%	2465513	-7151	124999	5657
EURINR (29th July)	90.48	0.04%	20514	2313	3599	-991
GBPINR (29th July)	106.98	0.25%	27109	3319	4414	-2170

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Gold Mini	August	Buy	72710-72740	73450	72400	Stop Loss Triggered

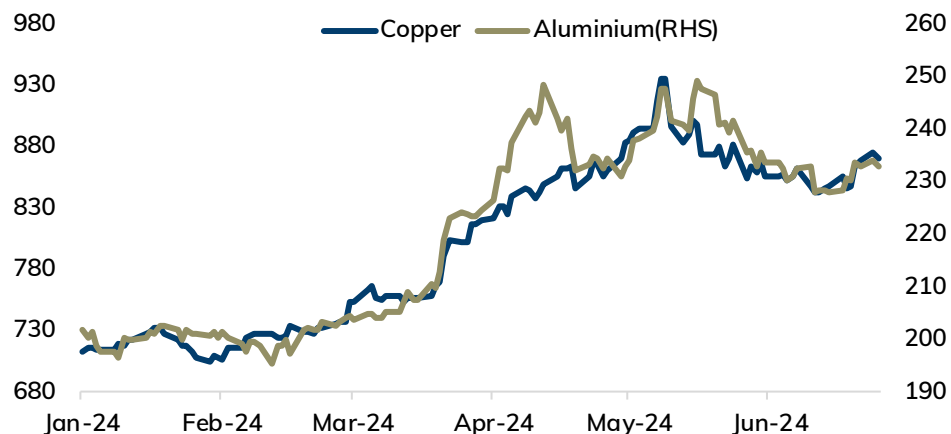
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to find support at \$2350 and move towards \$2385 on expectation that the US Federal Reserve might cut the rate in September following soft US employment data last week. The probability of rate cut in September has went up to 77% after last week's job numbers. Meanwhile, focus will remain on comments from the Fed members and US inflation numbers this week, as it could bring further clarity in timing of first interest rate cut.
- MCX Gold Aug is expected to hold the key support of 10 day EMA at 72,100 and move towards 72,800. Above 72800 it would open the doors towards 73,200.
- MCX Silver September is expected to hold the support near the breakout level at 91,800 and rise towards 93,800. Only below 91,800 it would turn weak and slide towards 90,500.

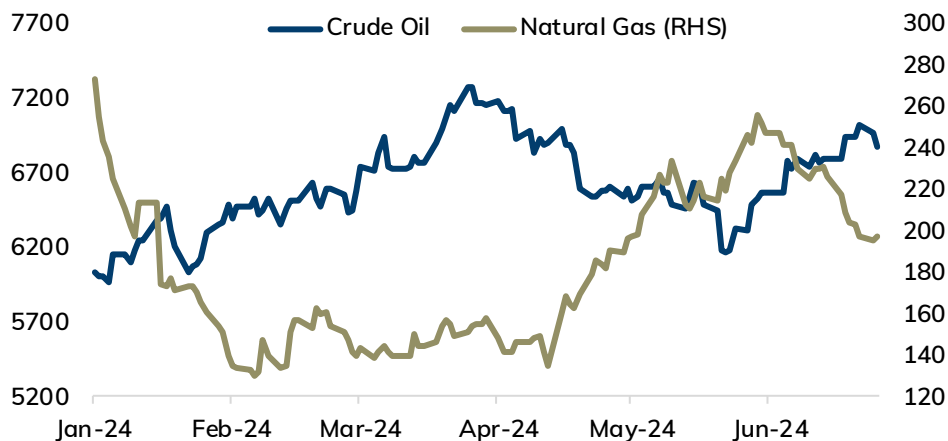
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to regain its strength amid hopes over policy support from China. Further, increasing prospects of September rate cut would also strengthen the bullish bets in the metal. Again, rise in premium on imported copper for the first time in two months would also strengthen the bullish outlook in the metal.
- MCX Copper July is expected to hold the support near 5-day EMA at 866 and move towards 878. Above 878, it would rally towards 884 mark. Bullish cross over of 5 and 10 day EMA along with reversal in RSI would support the red metal to hold its ground.
- Aluminum is expected to rise towards 235, as long as it holds above the 20-day EMA at 231. However, rising inventory levels in LME and increased production from China would check its upside.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to face the hurdle near \$84 and move lower towards \$81 amid easing supply concerns. Further, hopes of ceasefire deal in Gaza could reduce worries about global crude oil supply disruption. On the other hand increasing bets of rate cut in September by the Federal Reserve would limit the downside. Along with that expectation of more stimulus from China would also provide support to oil prices to hold above the \$81 mark. While, \$85 mark would act as major hurdle for price as highest OI concentration at 85 strike call would act as good supply zone
- MCX Crude oil July is likely to dip towards the 20 day EMA support at 6800, as long as it trades under 6960. Only close below 6800 it would turn weaker.
- MCX Natural gas July is likely to regain its strength and move higher towards 208, as long as it holds above the 192 mark.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	71572	71953	72510	72891	73448
Silver	90979	91797	92842	93660	94705
Copper	860.8	865.3	871.8	876.3	882.7
Aluminium	230.9	231.8	233.1	234.0	235.3
Zinc	268.2	269.9	273.1	274.8	278.0
Lead	188.8	189.5	190.2	190.9	191.6
Crude Oil	6821	6849	6890	6918	6959
Nat Gas	190	194	197	201	204

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	83.45	83.50	83.54	83.59	83.62
US\$INR (Aug)	83.56	83.60	83.61	83.65	83.66
EURINR (July)	90.29	90.38	90.44	90.53	90.59
EURINR (Aug)	90.52	90.55	90.57	90.60	90.61
GBPINR (July)	106.55	106.77	106.88	107.10	107.21
GBPINR (Aug)	106.55	106.73	106.83	107.00	107.10
JPYINR (July)	51.57	51.80	51.97	52.20	52.37
JPYINR (Aug)	52.12	52.24	52.33	52.45	52.54

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	105.00	104.88	0.12%
US\$INR	83.50	83.49	0.01%
EURUSD	1.0824	1.0840	-0.15%
EURINR	90.50	90.39	0.12%
GBPUSD	1.2807	1.2815	-0.06%
GBPINR	107.04	106.78	0.25%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.990	6.993	0.00
US	4.278	4.278	0.00
Germany	2.540	2.556	-0.01
UK	4.113	4.125	0.00
Japan	1.095	1.079	0.01

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
7/3/2024	8:00 PM	-12.2M	-0.4M
6/26/2024	8:00 PM	3.6M	-2.6M
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

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	191475	-150	-0.08%
Aluminium	994175	-5550	-0.56%
Zinc	258675	0	0.00%
Lead	218800	-3350	-1.51%
Nickel	97470	216	0.22%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, July 08, 2024						
11:30 AM	Europe	German Trade Balance	24.9B	19.9B	22.1B	Medium
2:00 PM	Europe	Sentix Investor Confidence	-7.3	-0.6	0.3	Medium
Tuesday, July 09, 2024						
7:30 PM	US	Fed Chair Powell Testifies	-	-	-	High
Wednesday, July 10, 2024						
7:00 AM	China	CPI y/y	-	0.40%	0.30%	High
7:00 AM	China	PPI y/y	-	-0.80%	-1.40%	High
7:30 PM	US	Fed Chair Powell Testifies	-	-	-	High
8:00 PM	US	Crude Oil Inventories	-	-	-12.2M	Medium
Thursday, July 11, 2024						
11:30 AM	UK	GDP m/m	-	0.20%	0.00%	High
11:30 AM	UK	Industrial Production m/m	-	0.30%	-0.90%	Medium
6:00 PM	US	CPI y/y	-	3.10%	3.30%	High
6:00 PM	US	Unemployment Claims	-	236K	238K	High
Friday, July 12, 2024						
Tentative	China	Trade Balance	-	590B	586B	High
5:30 PM	India	CPI y/y	-	4.80%	4.75%	High
6:00 PM	US	PPI m/m	-	0.10%	-0.20%	High
7:30 PM	US	Prelim UoM Consumer Sentiment	-	67	68.2	High
7:30 PM	US	Prelim UoM Inflation Expectations	-	-	3%	High



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