

January 14, 2025

# Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Silver Micro	February	Sell	91000-91100	90200	91500	Intraday

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## News and Developments

- Spot gold prices ended on negative note losing 1.0%, while Silver prices slipped more than 2.5% yesterday on strong dollar and elevated US treasury yields. Stronger than expected job report cemented expectations among investors that US Fed would proceed with caution with cutting interest rates in 2025. As per CME FedWatch tool market is now expecting 25bps rate cut this year compared to expectation of 40bps last week
- US Dollar posted new 2 year high as recent batch of economic data from US underscored economic strength and fueled expectations that US Federal Reserve will make fewer rate cuts this year. Additionally, policies endorsed by the incoming Donald Trump administration are also expected to boost growth and potentially add to price pressures
- US Treasury 10-year yields surged to 14-month highs yesterday before pullback. Yields remained elevated on expectations that strong labor market and persistent inflation should compel US Federal Reserve to hit a pause button on its easing cycle this year. Additionally, uncertainty surrounding US President-elect Donald trump policies on tax, immigration and tariffs weighed on prices. The benchmark US Treasury 10-year yield jumped to 4.790%, highest levels since November 2023. While 2-year treasury yield, which typically moves in step with interest rate expectations rose to 4.392%, highest since July 2024.
- NYMEX Crude oil prices settled higher yesterday gaining more than 2.5% on expectations that wider US sanctions on Russian oil producers would force major importers like China and India to seek other suppliers. Moreover, trade data showed Crude oil demand in China has weakened as it imports fell by 1.9%
- Copper prices ended on the positive amid upbeat economic data from China. China's exports gained momentum in December, with imports also showing recovery. China's imports of unwrought copper and copper products reached a 13-month high in December, rising to 559,000 metric tons

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	78166	-0.33%	2663.2	-0.99%
Silver	90513	-2.15%	29.61	-2.61%
Copper	828.3	0.27%	9094.5	0.03%
Aluminium	246.2	0.47%	2578.5	0.27%
Zinc	273.1	0.00%	2865.5	-0.09%
Lead	177.2	-0.48%	1958.5	-0.84%
WTI Crude Oil	6745	3.51%	78.82	2.94%
US Nat Gas	336.7	-1.75%	3.93	-1.38%

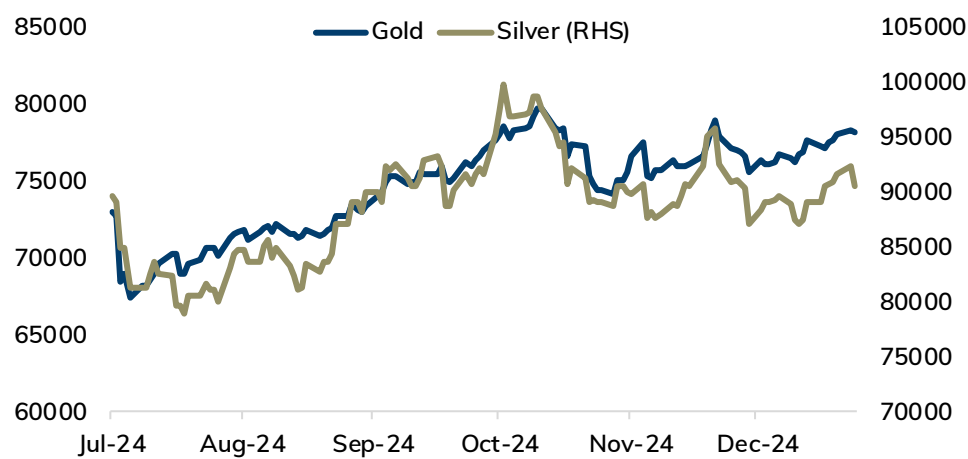
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	86.75	0.68%	3342989	-48874	1032205	333339
EURINR (29th January)	88.49	-0.37%	21285	972	6881	1764
GBPINR (29th January)	105.21	-0.76%	30439	6027	20025	12346

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	January	Sell	827-828	819	832	Exit

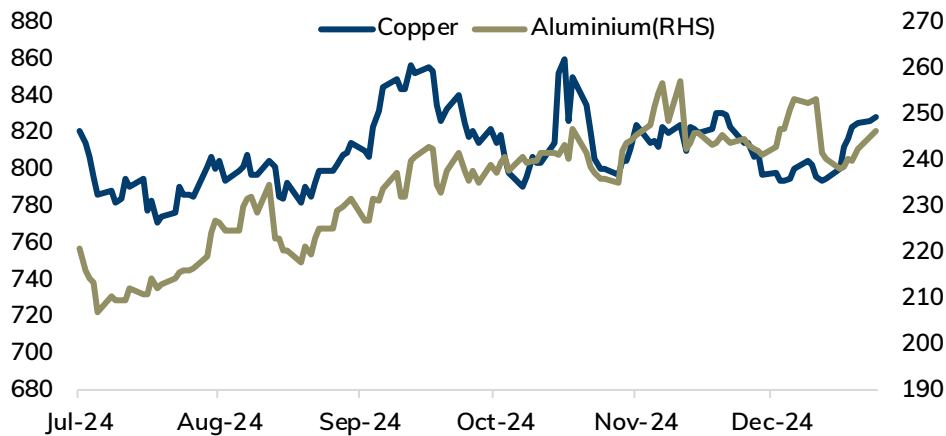
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is likely to slip further towards \$2640 level amid strong dollar and rise in US treasury yields. Additionally, recent batch of economic data from US signaled resilience in the economy, reinforcing expectations among investors that US Federal Reserve may only cut rates one time in 2025. Moreover, investors fear that any upside surprise in inflation report due tomorrow could further narrow down the bets on future easing. Further, President-elect Donald Trump plans of hefty import tariffs, tax cut and immigration restrictions are seen inflationary, adding to expectations of less aggressive easing cycle
- Spot gold is likely to slip back towards \$2640 level as long as it stays below \$2690 level. MCX Gold February is expected face resistance near 78,600 level and correct back towards 77,500 level
- Spot Silver is likely to slip further towards \$29 as long as it trades below \$29.90 level which is also 20-Day EMA. MCX Silver March is expected to slip towards 89,000 level as long as it trades below 91,000 level

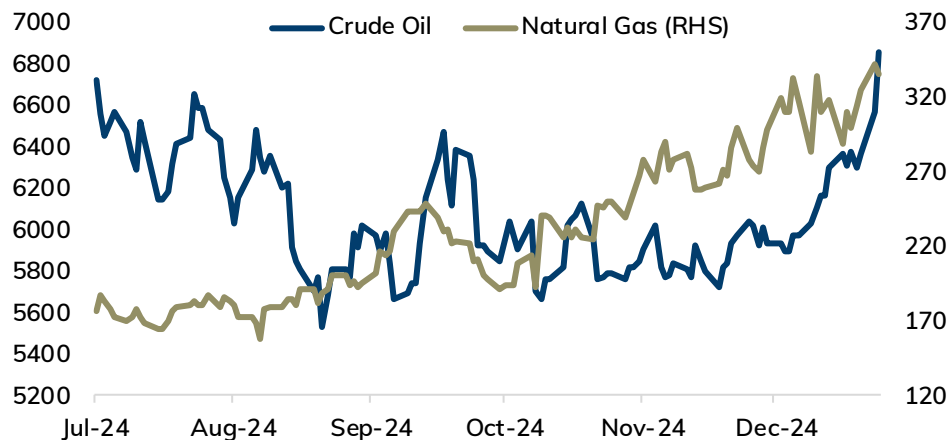
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected to trade with positive bias following improved economic data from China. Data showed commodity imports for December remained relatively stronger, reflecting progress in manufacturing activity. Additionally, China's top leaders have vowed to loosen monetary policy and adopt a more proactive fiscal policy this year, aiming to offset external pressures and revitalize domestic demand.
- MCX Copper January is expected to rise towards 834 level as long as it stays above 823 level. A break above 834 level copper prices may rise further towards 838 level
- MCX Aluminium Jan is expected to move north towards 248 level as long as it stays above 245 level. MCX Zinc Jan is likely to rise back towards 278 level as long as it stays above 272 level

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to trade with positive bias and rise towards \$80 level on fears over tightened supplies following US sanctions on Russian's oil producers. Additionally, severely cold weather in US and Europe will push demand for oil. Meanwhile, weaker demand from China could overshadow the impact of tighter supply. Moreover, 6 European countries also called on the EU to lower its \$60 a barrel price cap on Russian seaborne crude and refined oil products
- NYMEX Crude oil is likely to rise further towards \$80 level as long as it stays above \$77.0 level. MCX Crude oil is likely to rise further towards 6950 level as long as it stays above 6750 level.
- MCX Natural gas Jan is expected to slip further towards 330 level as long as it stays below 347 level. A break below 330 level it may further slip towards 322 level.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	77693	77929	78348	78584	79003
Silver	88729	89621	91144	92036	93559
Copper	820.8	824.5	827.7	831.5	834.7
Aluminium	244.4	245.3	246.2	247.1	247.9
Zinc	268.7	270.9	273.3	275.4	277.8
Lead	174.7	175.9	177.3	178.5	179.9
Crude Oil	6580	6662	6709	6791	6838
Nat Gas	312	325	346	358	380

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	86.12	86.44	86.62	86.93	87.11
US\$INR (Feb)	86.21	86.59	86.79	87.17	87.37
EURINR (Jan)	88.19	88.34	88.47	88.62	88.75
EURINR (Feb)	90.68	89.85	90.68	89.85	90.68
GBPINR (Jan)	104.80	105.01	105.20	105.41	105.60
GBPINR (Feb)	106.25	105.99	106.25	105.99	106.25
JPYINR (Jan)	54.70	54.98	55.02	55.30	55.34
JPYINR (Feb)	56.50	56.00	56.50	56.00	56.50

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	109.96	109.65	0.28%
US\$INR	86.58	85.97	0.71%
EURUSD	1.0245	1.0244	0.01%
EURINR	88.26	88.56	-0.33%
GBPUSD	1.2202	1.2207	-0.04%
GBPINR	104.82	105.77	-0.90%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.850	6.772	0.08
US	4.778	4.759	0.02
Germany	2.613	2.595	0.02
UK	4.885	4.838	0.05
Japan	1.203	1.203	0.00

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
08-01-2025	9:00 PM	-1.0M	-1.8M
02-01-2025	9:00 PM	-1.2M	-2.4M
27-12-2024	9:00 PM	-4.2M	-0.7M
18-12-2024	9:00 PM	-0.9M	-1.6M
11-12-2024	9:00 PM	-1.4M	-1.0M
04-12-2024	9:00 PM	-5.1M	-1.6M
27-11-2024	9:00 PM	-1.8M	-1.3M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	263450	-975	-0.37%
Aluminium	619375	-2500	-0.40%
Zinc	210625	-3450	-1.61%
Lead	223175	-2550	-1.13%
Nickel	164904	0	0.00%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, January 13, 2025						
Tentative	China	New Loans		890B	580B	Medium
Tentative	China	Trade balance	753B	730B	693B	Medium
4:00 PM	India	Inflation Rate y/y	5.22%	5.48%	5.20%	High
Tuesday, January 14, 2025						
7:00 PM	US	PPI m/m		0.40%	0.40%	High
Wednesday, January 15, 2025						
12:30 PM	UK	CPI y/y		2.60%	2.60%	High
3:30 PM	Europe	Industrial Production m/m		0.3%	0.0%	Medium
7:00 PM	US	CPI y/y		2.9%	2.7%	High
7:00 PM	US	Empire State Manufacturing Index		-0.30	0.20	Medium
9:00 PM	US	Crude Oil Inventories		-	(1.0)M	Medium
Thursday, January 16, 2025						
12:30 PM	Europe	German Final CPI m/m		0.4%	0.4%	Medium
12:30 PM	UK	GDP m/m		0.20%	-0.10%	High
7:00 PM	US	Retail Sales m/m		0.6%	0.7%	High
7:00 PM	US	Unemployment Claims		210K	201K	High
7:00 PM	US	Philly Fed Manufacturing Index		-7	-16.4	Medium
Friday, January 17, 2025						
7:30 AM	China	GDP q/y		5.00%	4.60%	Medium
7:30 AM	China	Industrial Production y/y		5.40%	5.40%	Medium
7:30 AM	China	Retail Sales y/y		3.50%	3.00%	Medium
12:30 PM	UK	Retail Sales m/m		0.40%	0.20%	High
3:30 PM	Europe	Final CPI y/y		2.40%	2.40%	Medium
7:00 PM	US	Building Permits		1.46M	1.49M	Medium
7:45 PM	US	Industrial Production m/m		0.30%	-0.10%	Medium



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