

October 14, 2024

# Daily Commodities Outlook

## Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	October	Sell	840-841	832	845	Intraday

### Research Analysts

**Jay Thakkar**  
jay.thakkar@icicisecurities.com

**Raj Deepak Singh**  
rajdeepak.singh@icicisecurities.com

**Saif Mukadam**  
saif.mukadam@icicisecurities.com

**Anup Sahu**  
anup.sahu@icicisecurities.com

## News and Developments

- Spot gold prices ended on positive note gaining more than 1%, while Silver prices rallied by 1.22% amid flat dollar following weaker than expected economic data from US. Further, inflation data from US cemented prospects of another rate cut next month. Moreover, safe-haven demand stemming from the geopolitical tensions in the Middle East also lifted the bullion
- Dollar ended flat on Friday as investors digested slew of economic data that support Federal Reserve monetary policy stance. As per CME FedWatch tool markets are betting a nearly 91% chance of a 25bps cut at November meeting and 9% probability of no rate cut
- US PPI final demand eased to 1.8% y/y in September from 1.9% y/y in August. PPI ex-food and energy rose 2.8% y/y in September stronger than expectations of 2.6% y/y. The University of Michigan's preliminary reading on the overall index of consumer sentiment came in at 68.9 this month, compared with a final reading of 70.1 in September and below the 70.8 estimate
- US Treasury yields were mostly lower after inflation and consumer confidence reports cemented expectations for path of Federal Reserve cut. The benchmark US Treasury 10-year yield rose to 4.104%, while 2-year treasury yield, which typically moves in step with interest rate expectations corrected to 3.960%.
- Crude oil prices settled lower on Friday losing 0.13% despite of concerns over supply disruption in Middle East and Hurricane Milton's impact on fuel demand in Florida.
- Copper prices traded with positive bias gaining more than 1% on Friday on hopes that China may announce more stimulus measures at a finance ministry press conference. Earlier this week, China's central bank had opened a swap facility initially worth 500 billion yuan for financial institutions

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	76307	1.34%	2656.59	1.02%
Silver	91690	1.53%	31.54	1.21%
Copper	864.8	1.09%	9791.50	0.70%
Aluminium	245.2	1.91%	2632.50	1.80%
Zinc	287.6	1.70%	3154.00	2.19%
Lead	185.4	1.09%	2097.00	1.48%
WTI Crude Oil	6364	-0.47%	75.56	-0.38%
US Nat Gas	222.3	-0.80%	2.63	-1.61%

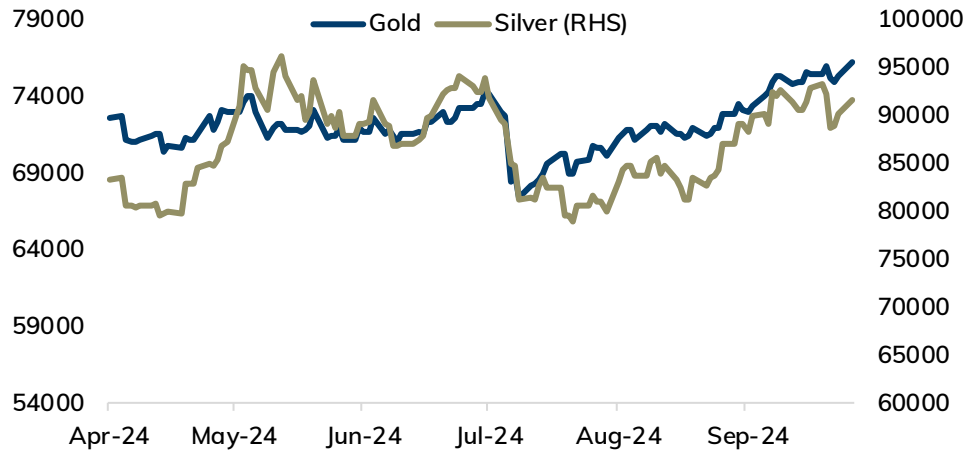
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th October)	84.15	0.13%	2681077	97563	695075	631855
EURINR (29th October)	92.10	0.09%	23967	-1149	2701	-2408
GBPINR (29th October)	109.90	0.04%	24393	-1008	9707	3251

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Gold Mini	October	Buy	74650-74700	75300	74300	Not Initiated

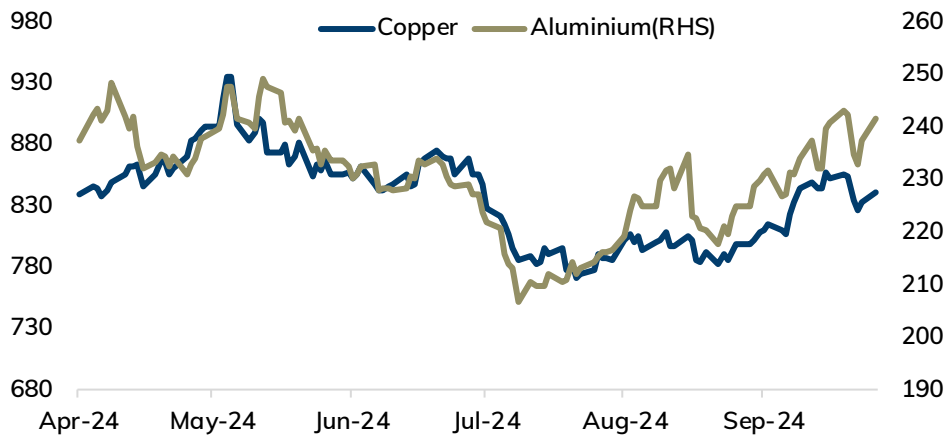
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is expected to slip further towards \$2620 level amid firm dollar. Meanwhile, investors will keep an close eye on economic data from US and comments from Fed officials to get fresh cues on the Federal Reserve's monetary policy path. Additionally, escalating tension in Middle East will increase demand for Safe haven. United States said it will send US troops to Israel along with an advanced US anti-missile system to bolster Israel air defenses.
- Spot Gold is likely to slip further towards \$2630 level as long as it stays below \$2660 level. MCX Gold December is expected to slip towards 75,650 level as long as it trades below 76,350 level
- Spot Silver is expected to dip further towards \$30.50 level as long as it stays below \$31.50 level. MCX Silver December is expected to slip back towards 90,000 level as long as it trades below 91,800 level. A break below 90,000 level prices may dip further towards 89,000 level

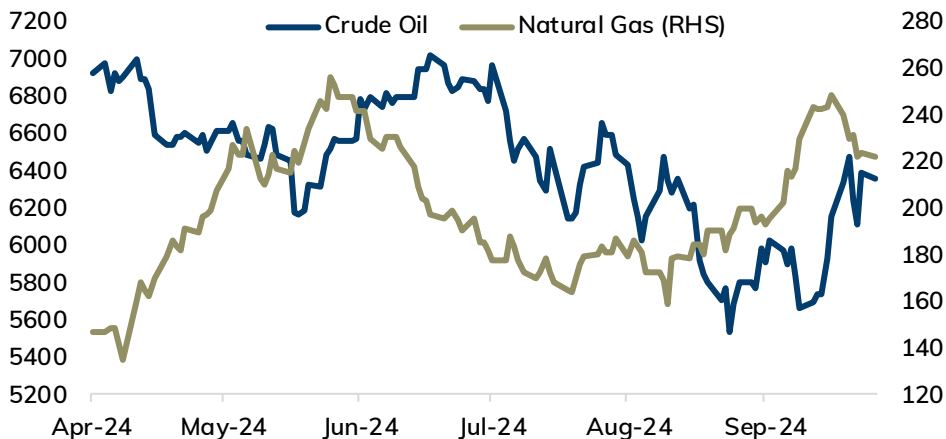
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected to trade with negative bias amid firm dollar and pessimistic global market sentiment. Further, market participants would be disappointed despite of China pledges to significantly increase debt to revive economic growth as it failed to provide size of stimulus package. Chinese Finance Minister Lan Foan reiterated Beijing's broad plans to revive the ailing economy, with promises made on significant increases to government debt and support for consumers and the property sector. Further, prices may slip on disappointing economic data from China. CPI rose 0.4% missing expectations, and the PPI fell at the fastest pace in six months, down 2.8% YoY
- MCX Copper October is expected to dip further towards 830 level as long as it stays below 842 level. A break below 830 prices would slip further towards 822 level
- MCX Aluminium is expected to move back towards 238 level as long as it stays below 242 level

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to slip further towards \$73 level amid strong dollar and weak global market sentiments. Further, prices may slip as China's deflationary pressures worsened in September. Furthermore, lack of clarity on Beijing's economic stimulus plans stirred up fears about demand. Moreover, on the supply side, Libya's national oil corporation (NOC) said it had restored oil production to levels before the country's central bank crisis as it reached 1.25 million barrels. However, sharp fall may be cushioned on concerns over the lingering possibility an Israeli response to Iran's October 1 missile attack could disrupt oil production
- MCX Crude oil is likely to move south towards 6180 level as long as it stays below 6400 level. A break below 6180 prices may slip further towards 6080 level
- MCX Natural gas October is expected to slip further towards 214 level as long as it trades below 228 level.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	75416	75861	76106	76551	76796
Silver	90008	90849	91367	92208	92726
Copper	848.3	856.6	861.4	869.6	874.4
Aluminium	240.2	242.7	244.6	247.1	249.0
Zinc	281.2	284.4	286.2	289.4	291.1
Lead	183.3	184.3	185.0	186.1	186.8
Crude Oil	6219	6291	6346	6418	6473
Nat Gas	215	219	224	228	233

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	83.97	84.06	84.11	84.20	84.26
US\$INR (Nov)	84.08	84.17	84.23	84.33	84.39
EURINR (Oct)	91.85	91.97	92.08	92.21	92.32
EURINR (Nov)	91.93	92.07	92.26	92.40	92.58
GBPINR (Oct)	109.48	109.69	109.85	110.06	110.22
GBPINR (Nov)	109.63	109.79	109.90	110.06	110.16
JPYINR (Oct)	56.38	56.49	56.54	56.65	56.71
JPYINR (Nov)	56.96	56.96	56.96	56.96	56.96

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	102.89	102.99	-0.10%
US\$INR	84.07	83.98	0.11%
EURUSD	1.0937	1.0934	0.03%
EURINR	91.98	91.81	0.18%
GBPUSD	1.3067	1.3059	0.06%
GBPINR	109.89	109.82	0.06%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.792	6.777	0.01
US	4.100	4.061	0.04
Germany	2.265	2.256	0.01
UK	4.207	4.210	0.00
Japan	0.952	0.960	-0.01

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
09-10-2024	8:00 PM	5.8M	2.0M
02-10-2024	8:00 PM	3.9M	-1.5M
25-09-2024	8:00 PM	-4.5M	-1.3M
18-09-2024	8:00 PM	-1.6M	-0.2M
11-09-2024	8:00 PM	0.8M	0.9M
05-09-2024	8:30 PM	-6.9M	-0.6M
28-08-2024	8:00 PM	-0.8M	-2.7M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	297550	-1800	-0.60%
Aluminium	770275	-2500	-0.32%
Zinc	242000	-450	-0.19%
Lead	195875	-775	-0.39%
Nickel	132570	258	0.19%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, October 14, 2024						
Tentative	China	New Loans		1090B	900B	Medium
5:30 PM	India	Inflation Rate y/y		3.6%	3.7%	High
Tuesday, October 15, 2024						
11:30 AM	UK	Claimant Count Change		20.2K	23.7K	High
11:30 AM	UK	Average Earnings Index 3m/y		3.80%	4.00%	Medium
2:30 PM	Europe	German ZEW Economic Sentiment		10.2	3.6	Medium
6:00 PM	US	Empire State Manufacturing Index		3.40	11.50	Medium
Wednesday, October 16, 2024						
11:30 AM	UK	CPI y/y		1.9%	2.2%	High
12:00 AM	Europe	ECB President Lagarde Speaks		-	-	Medium
Thursday, October 17, 2024						
2:30 PM	Europe	Final CPI y/y		1.80%	1.80%	Medium
5:45 PM	Europe	Main Refinancing Rate		3.40%	3.65%	High
6:00 PM	US	Retail Sales m/m		0.30%	0.10%	High
6:00 PM	US	Unemployment Claims		241k	258k	High
6:15 PM	Europe	ECB Press Conference		-	-	High
8:30 PM	US	Crude Oil Inventories		-	5.8M	Medium
Friday, October 18, 2024						
7:30 AM	China	GDP q/y		4.60%	4.70%	High
7:30 AM	China	Industrial Production y/y		4.60%	4.50%	Medium
7:30 AM	China	Retail Sales y/y		2.50%	2.10%	Medium
11:30 AM	UK	Retail Sales y/y		-0.3%	1.0%	Medium
6:00 PM	US	Building Permits		1.45M	1.48M	Medium



---

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,  
ICICI Securities Limited,  
Third Floor, Brillanto House,  
Road No 13, MIDC,  
Andheri (East)  
Mumbai – 400 093  
research@icicidirect.com

---

# Disclaimer



I/We, Jay Thakkar MBA (Finance), Raj Deepak Singh BE, MBA (Finance), Saif Mukadam BSc, MMS (Finance), Anup Sahu BSc, MBA (Finance) Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

## Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal  
Contact number: 022-40701000 E-mail Address: [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: Mr. Bhavesh Soni Email address: [headsservicequality@icicidirect.com](mailto:headsservicequality@icicidirect.com) Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.



# Disclaimer



Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.