

November 14, 2024

# Daily Commodities Outlook

## Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	December	Sell	74750-74800	74000	75100	Intraday

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## News and Developments

- Spot gold prices pared its earlier gains and edged lower amid strong dollar. Rise in US CPI index to 2.6% YoY in October supported the dollar to hit its 1-year high and weighed on the bullions. Meanwhile, Core inflation remained steady at 3.3%, which is unlikely to make any impact on Fed's stance on December rate cut.
- Silver prices also remained under pressure amid strong dollar. Further, higher global supply amid rise in production and supply of recycling metals has reduced global deficit to fall by 4%.
- US Dollar index extended its gains for the 4<sup>th</sup> day in a row to hit 1-year high amid rise in US inflation number. US CPI numbers rose to 2.6% from 2.4% in September. It marks the first increase in inflation in seven months. Meanwhile, core inflation remained steady at 3.3% as expected.
- Benchmark US Treasury yields were mixed yesterday. Short term yields traded lower after US inflation print suggest no surprise, which suggest Fed is likely to reduce the rates in December. US 10-year yields made new high and hit 4.46%.
- NYMEX Crude oil prices recovered from its 2-week lows amid growing speculation that OPEC+ may delay its planned crude production. Earlier price declined to \$67 mark amid strong dollar and weakness in global equities. Further, demand concerns from China also weighed on the oil prices.
- Copper price extended its decline and hit their lowest in nearly 2-months amid strong dollar and demand concerns from China. Additionally, fears that the incoming Trump administration may impose further tariffs on China have added to concerns over demand.
- Natural gas prices regained its strength and held near its 5-week high on lower gas output and colder US weather.

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	74482	-0.56%	2573.0	-0.98%
Silver	89197	-0.15%	30.31	-1.36%
Copper	800.0	-0.70%	9047.0	-1.04%
Aluminium	236.1	-0.46%	2530.5	-1.27%
Zinc	277.2	0.49%	2981.0	1.46%
Lead	180.4	-0.47%	2008.5	-0.77%
WTI Crude Oil	5796	0.35%	68.43	0.46%
US Nat Gas	250.6	1.66%	2.98	2.61%

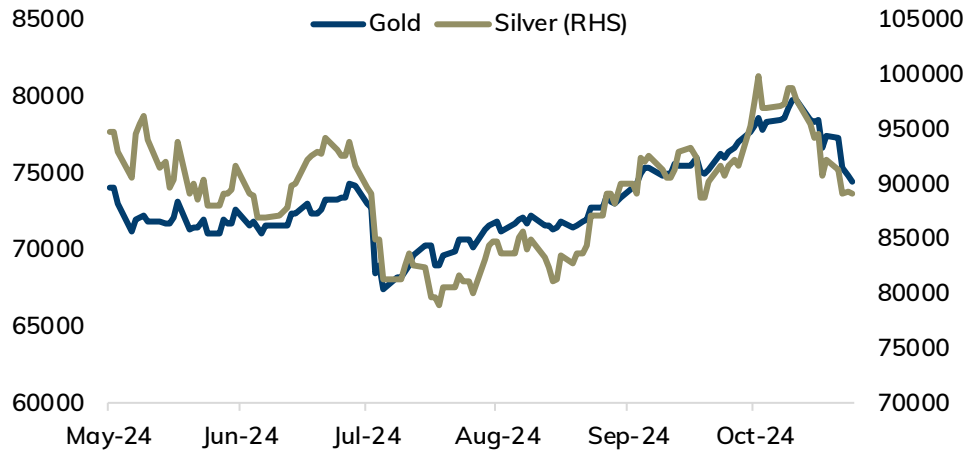
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th November)	84.43	0.01%	3623663	43824	96956	-715828
EURINR (27th November)	89.88	0.05%	22795	416	2666	-3719
GBPINR (27th November)	107.73	-0.56%	31399	290	5998	-1196

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	December	Sell	5850	5720	5920	Not initiated

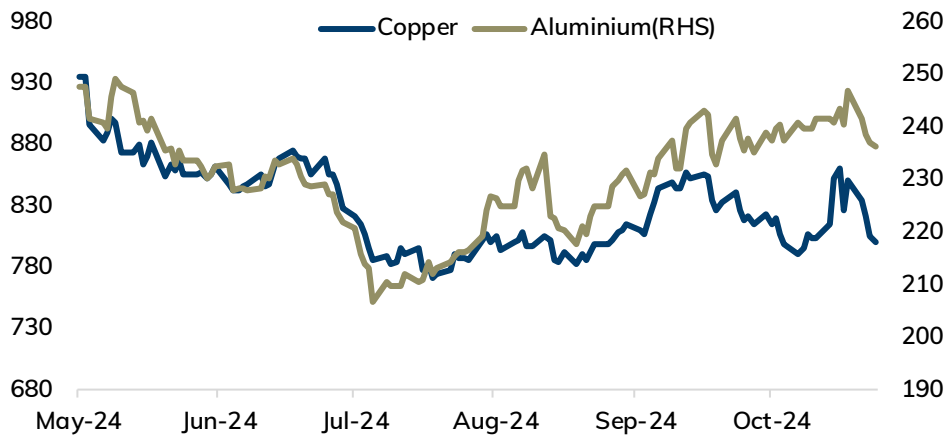
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is expected to face the hurdle near \$2600 and move lower towards \$2530 amid strong US dollar and rise in treasury yields. Sticky inflation data and expectation of rise in PPI numbers could derail the Fed's rate cut plans after December. US PPI is likely to rise to 0.2% MoM. Moreover, long liquidation after the omission of political risk premiums is likely to weigh on the metal prices. Meanwhile, focus will remain on key US weekly unemployment data and speech from the Fed chair which could bring further volatility in price.
- Spot gold is going to move lower as it has breached the key support at \$2600 and 50% Fibonacci retracement level \$2572 indicating more weakness. Breakdown of the rising trend channel and 50 day EMA indicates correction in price. MCX Gold December is expected to decline towards 73,500, as long as it trades under 75,000.
- MCX Silver is expected to move towards 88,000, as long as it remains under 90,400. Below 88,000 it would open the doors towards 87,000.

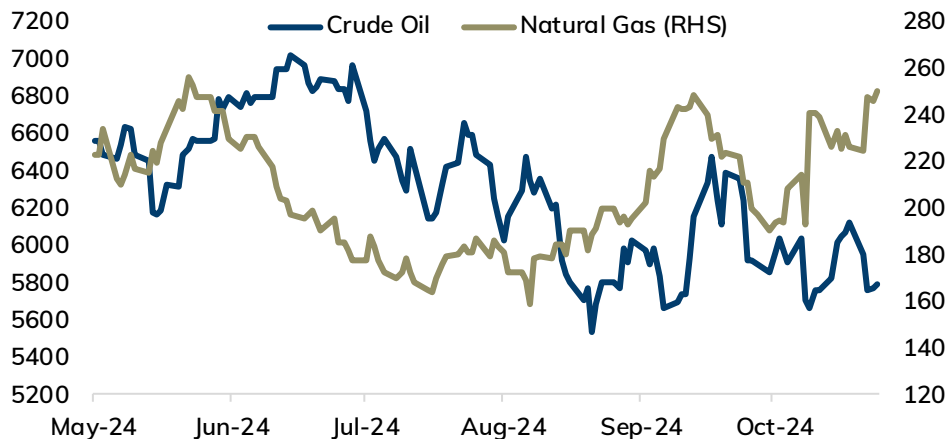
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected remain under pressure amid strong dollar and demand concerns from China. Further, growing speculation over new tariff policies from US and weaker economic numbers from China would weigh on the metal prices. Furthermore, weakness in new house prices and industrial production could hurt the metals demand. Meanwhile, hopes of fresh round of stimulus from China could help the metal to limit its losses.
- MCX Copper November is expected to face the hurdle near 810 and move lower towards 795. Only below 795, it would weaken further towards 788.
- MCX Aluminium Nov is expected to move towards 233, as long as it trades under 238.

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to hold the support near \$67 and rebound towards \$70 ahead of key US inventory data. API data indicated a surprise drop in inventory 0.77 Million barrels. Further, rising crack spread to a 2-month indicates improved demand from refiners. Better than expected demand of oil products would help the oil prices to edge higher. Meanwhile, demand concerns from China and strong dollar would limit its upside. NYMEX Crude oil has been trading below 20 day EMA at \$70. Also strong call base near 70 strike indicates price to face stiff resistance.
- MCX Crude oil December is likely to hold the support near 5660 and rise towards 5900. Only above 5900 it would rise towards 6000.
- Natural gas November is expected to hold above 240 and move higher towards 252. Only above 252 it would open the doors towards 260. A reduced drilling activity and forecast of colder weather would provide support to price.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	73734	74108	74714	75088	75694
Silver	87872	88535	89542	90205	91212
Copper	792.8	796.4	801.9	805.5	811.1
Aluminium	233.3	234.7	236.2	237.6	239.1
Zinc	269.2	273.2	276.0	280.0	282.8
Lead	178.8	179.6	180.5	181.3	182.3
Crude Oil	5602	5699	5756	5853	5910
Nat Gas	233	242	248	257	263

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	84.39	84.41	84.43	84.45	84.46
US\$INR (Dec)	84.49	84.52	84.57	84.61	84.65
EURINR (Nov)	89.38	89.63	89.76	90.01	90.15
EURINR (Dec)	90.57	90.45	90.57	90.45	90.57
GBPINR (Nov)	107.41	107.57	107.71	107.87	108.01
GBPINR (Dec)	106.07	107.15	106.07	107.15	106.07
JPYINR (Nov)	54.08	54.33	54.50	54.76	54.93
JPYINR (Dec)	56.29	55.58	56.29	55.58	56.29

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.48	106.02	0.43%
US\$INR	84.39	84.39	-0.01%
EURUSD	1.0564	1.0623	-0.56%
EURINR	89.69	89.69	0.00%
GBPUSD	1.2708	1.2748	-0.31%
GBPINR	107.60	108.23	-0.58%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.837	6.829	0.01
US	4.451	4.428	0.02
Germany	2.390	2.362	0.03
UK	4.520	4.499	0.02
Japan	1.050	1.016	0.03

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
11/6/2024	8:00 PM	2.1M	0.3M
10/30/2024	8:00 PM	-0.5M	1.5M
10/23/2024	8:00 PM	5.5M	0.9M
10/17/2024	8:30 PM	-2.2M	1.8M
10/9/2024	8:00 PM	5.8M	2.0M
10/2/2024	8:00 PM	3.9M	-1.5M
9/25/2024	8:00 PM	-4.5M	-1.3M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	273100	1875	0.69%
Aluminium	724100	-2600	-0.36%
Zinc	243225	-2300	-0.94%
Lead	186125	-225	-0.12%
Nickel	151320	480	0.32%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, November 11, 2024						
All Day	US	Bank Holiday	-	-	-	-
Tuesday, November 12, 2024						
12:30 PM	UK	Claimant Count Change	26.7K	30.5K	27.9K	High
12:30 PM	UK	Unemployment Rate	4.30%	4.10%	4%	Medium
3:30 PM	Europe	German ZEW Economic Sentiment	7.4	13.2	13.1	Medium
3:30 PM	Europe	ZEW Economic Sentiment	12.5	20.5	20.1	Medium
4:00 PM	India	CPI y/y	6.21%	5.90%	5.49%	High
Wednesday, November 13, 2024						
7:00 PM	US	CPI y/y	2.60%	2.60%	2.40%	High
Thursday, November 14, 2024						
3:30 PM	Europe	Flash GDP q/q	-	0.40%	0.40%	Medium
3:30 PM	Europe	Industrial Production m/m	-	-1.20%	1.80%	Medium
7:00 PM	US	PPI m/m	-	0.20%	0.00%	High
7:00 PM	US	Unemployment Claims	-	223K	221K	High
9:00 PM	US	Natural Gas Storage	-	-	69B	Medium
9:30 PM	US	Crude Oil Inventories	-	-	2.1M	Medium
Friday, November 15, 2024						
12:30 AM	Europe	ECB President Lagarde Speaks	-	-	-	High
1:30 AM	US	Fed Chair Powell Speaks	-	-	-	High
2:30 AM	UK	BOE Gov Bailey Speaks	-	-	-	High
7:30 AM	China	Industrial Production y/y	-	5.50%	5.40%	High
12:30 PM	UK	Prelim GDP q/q	-	0.20%	0.50%	High
7:00 PM	US	Retail Sales m/m	-	0.30%	0.40%	High
7:00 PM	US	Empire State Manufacturing Index	-	3.6	-11.9	Medium
7:45 PM	US	Industrial Production m/m	-	-0.20%	-0.30%	Medium



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