

January 8, 2025

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	February	Sell	77650-77700	77150	77950	Intraday

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News and Developments

- Spot gold prices ended on positive note gaining 0.46%, while Silver prices rose by 0.30% Yesterday. Gold Prices pared its earlier gains on strong dollar and surge in US treasury yields after US economic data signaled stable job market and robust service sector. Upbeat economic data from US will diminish odds of large rate cuts by US Federal Reserve
- US Dollar ended on positive note gaining 0.37% yesterday as upbeat economic data from US suggested that Federal Reserve will likely slow the pace of current rate cutting cycle. Moreover, hawkish comments from Richmond Fed President Barkin also supported the dollar. He said if price pressures persist, the Fed will have to be tougher with interest rates
- US November JOLTS job openings unexpectedly rose 259,000 to a 6-month high of 8.098 million, stronger than expectations of a decline to 7.740 million. US December ISM services index rose to 54.1, stronger than expectations of 53.5
- US treasury yields surged after better than expected economic data from US pointed strong economy. Data showed stable jobs market. Additionally, activity in US services sector accelerated in December, while a surge in a measure of prices paid for inputs to near a 2-year high pointing to elevated inflation. The benchmark US Treasury 10-year yield hit an 8-month high and rose to 4.685%, while 2-year treasury yield, which typically moves in step with interest rate expectations surged to 4.289%.
- NYMEX Crude oil prices settled higher yesterday gaining more than 1% on concerns over limited supply from Russia and Iran due to western sanctions. China, Shandong Port Group issued a notice banning US-sanctioned oil vessels from its network of ports
- Copper prices ended on positive note gaining more than 0.5% on improved economic data from US and China

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	77531	0.48%	2648.6	0.46%
Silver	90873	0.35%	30.05	0.31%
Copper	816.7	0.50%	9003.0	0.00%
Aluminium	240.4	0.82%	2517.5	1.10%
Zinc	273.9	-0.02%	2875.5	-0.90%
Lead	177.7	0.17%	1956.0	0.54%
WTI Crude Oil	6364	1.22%	74.25	0.94%
US Nat Gas	300.6	-3.22%	3.45	-6.07%

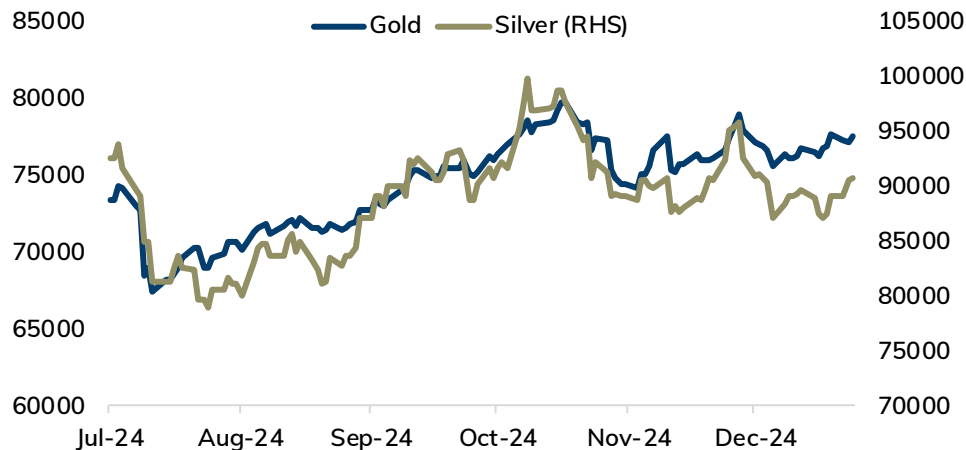
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	85.91	-0.03%	2962634	-64851	195787	-170379
EURINR (29th January)	89.51	0.26%	24114	1263	4753	-4447
GBPINR (29th January)	107.74	0.36%	21484	668	3980	-4714

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	January	Buy	807-808	814	804	Not Initiated

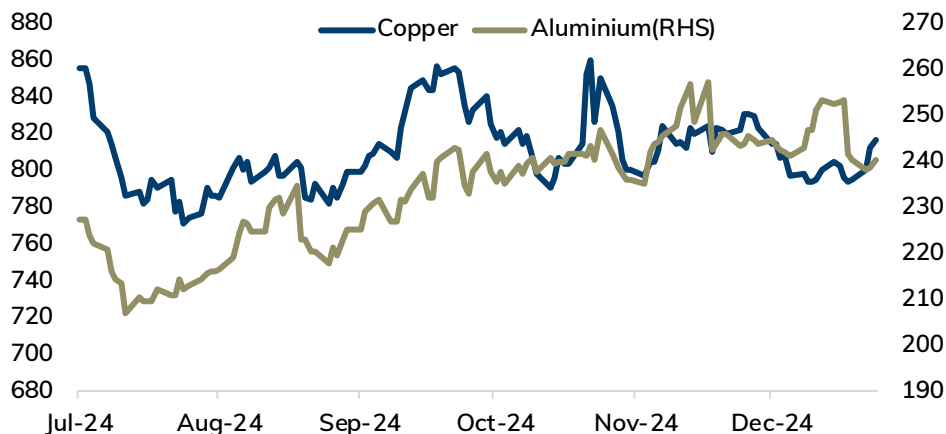
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is likely to slip back towards \$2620 level amid strong dollar and surge in US treasury yields. Recent batch of economic data signaled resilience in the economy. Additionally, uncertainty surrounding tariff policy in Trump's tenure fueled concerns about future moves in US policy. As per CME FedWatch tool market is pricing in 95% chance of pause in rate cut this month. Meanwhile, sharp fall would be cushioned on strong central bank buying. China's central bank expanded its gold reserves for a 2nd month in December
- Spot gold is likely to slip back towards \$2620 level as long as it stays below \$2665 level. MCX Gold February is expected to slip back towards 76,850 level as long as it stays below 77,800 level.
- Spot Silver is likely to rise towards \$30.40 level which is also (50-Day EMA) as long as it trades above 20-Day EMA at \$29.80 level. MCX Silver March is expected to rise back towards 91,500 level as long as it trades above 90,000 level.

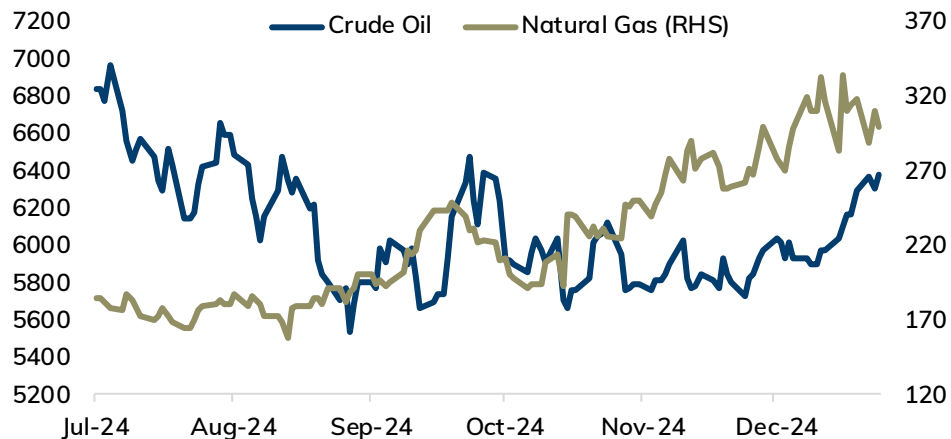
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with positive bias as improved economic data from US and China signaled resilience in the economy. Moreover, expectation of robust economic data from US and rising hopes for more stimulus packages from China to revive economic growth will be supportive for industrial metal. Additionally, persistent decline in inventories at LME registered warehouses would be supportive for the prices.
- MCX Copper January is expected to rise towards 820 level as long as it stays above 810 level. A break above 820 prices would rally further towards 823 level
- MCX Aluminum Jan is expected to move north towards 242 level as long as it stays above 238.50 level. MCX Zinc Jan is likely to rise back towards 276 level as long as it holds the support near 272 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to rise further towards \$75.50 level amid larger than expected decline in weekly crude stockpiles. As Per API figures US Crude oil inventories fell by about 4 million barrels for the week ended 3rd January. Moreover, investors will keep an eye on official data and if government data confirmed another withdraw then it would mark 4th consecutive weekly decline. Additionally, prices may rally on concerns over tighter global supplies due to western sanctions on Russian and Iranian crude oil.
- NYMEX Crude oil is likely to rise towards \$75.5 level as long as it stays above \$73.50 level. MCX Crude oil Jan is likely to rise further towards 6500 level as long as it stays above 6275 level.
- MCX Natural gas Jan is expected to slip further towards 285 level as long as it stays below 315 level. A break below 285 level it may further skid to 280 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	76766	77149	77494	77877	78222
Silver	89724	90299	90974	91549	92224
Copper	806.6	811.6	815.4	820.5	824.3
Aluminium	237.0	238.7	239.6	241.3	242.2
Zinc	271.4	272.6	274.0	275.3	276.7
Lead	176.3	177.0	177.5	178.2	178.7
Crude Oil	6229	6297	6333	6401	6437
Nat Gas	283	292	307	316	330

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	85.77	85.84	85.89	85.97	86.02
US\$INR (Feb)	86.02	86.07	86.14	86.19	86.25
EURINR (Jan)	89.07	89.29	89.46	89.68	89.85
EURINR (Feb)	91.03	90.56	91.03	90.56	91.03
GBPINR (Jan)	107.27	107.50	107.73	107.96	108.18
GBPINR (Feb)	108.29	108.30	108.29	108.30	108.29
JPYINR (Jan)	54.28	54.41	54.51	54.63	54.73
JPYINR (Feb)	56.27	55.53	56.27	55.53	56.27

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.54	108.26	0.26%
US\$INR	85.72	85.83	-0.12%
EURUSD	1.0340	1.0390	-0.48%
EURINR	89.40	88.88	0.59%
GBPUSD	1.2477	1.2520	-0.34%
GBPINR	107.70	107.07	0.58%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.748	6.748	0.00
US	4.685	4.630	0.05
Germany	2.483	2.447	0.04
UK	4.683	4.610	0.07
Japan	1.135	1.136	0.00

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
20-11-2024	9:00 PM	0.5M	-0.1M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	267150	-1500	-0.56%
Aluminium	624275	-2500	-0.40%
Zinc	224525	-4625	-2.02%
Lead	234700	-200	-0.09%
Nickel	165366	1086	0.66%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, January 06, 2025						
7:15 AM	China	Caixin Services PMI	52.2	51.4	51.5	Medium
All Day	Europe	German Prelim CPI m/m	0.40%	0.30%	-0.20%	Medium
3:00 PM	Europe	Sentix Investor Confidence	-17.7	-17.7	-17.5	Medium
8:30 PM	US	Factory Orders m/m	-0.40%	-0.30%	0.50%	Medium
Tuesday, January 07, 2025						
3:00 PM	UK	Construction PMI	53.3	54.3	55.2	Medium
3:30 PM	Europe	CPI Flash Estimate y/y	2.40%	2.40%	2.20%	Medium
8:30 PM	US	ISM Services PMI	54.1	53.5	52.1	High
8:30 PM	US	JOLTS Job Openings	8.10M	7.73M	7.74M	High
Wednesday, January 08, 2025						
12:30 PM	Europe	German Factory Orders m/m		-0.30%	-1.50%	Medium
6:45 PM	US	ADP Non-Farm Employment Change		136k	146k	High
7:00 PM	US	Unemployment Claims		214k	211k	Medium
9:00 PM	US	Crude Oil Inventories			(-1.2)M	Medium
Thursday, January 09, 2025						
12:30 AM	US	FOMC Meeting Minutes		-	-	High
7:00 AM	China	CPI y/y		0.10%	0.20%	Medium
12:30 PM	Europe	German Industrial Production m/m		0.50%	-1.00%	Medium
9:00 PM	US	Natural Gas Storage				Medium
Friday, January 10, 2025						
7:00 PM	US	Average Hourly Earnings m/m		0.30%	0.40%	High
7:00 PM	US	Non-Farm Employment Change		159k	227k	High
7:00 PM	US	Unemployment Rate		4.20%	4.20%	High
8:30 PM	US	Prelim UoM Consumer Sentiment		73.9	74	Medium
8:30 PM	US	Prelim UoM Inflation Expectations			2.8%	Medium



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