

October 11, 2024

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	October	Buy	74650-74700	75300	74300	Intraday

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News and Developments

- Spot gold prices ended on positive note gaining 0.87%, while Silver prices rallied by 2.18% as dollar slipped from its 2-month high and correction in US treasury yields. Further, traders added bets that US Federal Reserve will deliver another rate cut of smaller magnitude next month following recent batch of mixed economic data
- Dollar corrected yesterday after US weekly jobless claims data jumped to 14-month high, signs of labor market weakness. Additionally, CPI report showed that inflation increased 0.2% in September. However, in the 12 months through September the CPI climbed 2.4%, which was the smallest YoY rise since February 2021. Meanwhile, further downside was cushioned on hawkish comments from Fed official. Atlanta Federal Reserve Bank President Raphael Bostic said he would be "totally comfortable" skipping an interest-rate cut at an upcoming meeting
- US weekly initial unemployment claims increased by 33,000 to 258,000. US CPI YoY eased to 2.4% in September from 2.5% in August, whereas CPI ex-food and energy unexpectedly rose to 3.3% in September from 3.2% in August
- US Treasury yields slipped after data showed an increase in weekly jobless claims and an annual rise in inflation that was the lowest since February 2021. The benchmark US Treasury 10-year yield slipped to 4.065%, while 2-year treasury yield, which typically moves in step with interest rate expectations declined to 3.959%.
- Crude oil prices settled higher yesterday gaining more than 3% amid correction in dollar and as a major storm hit Florida, disrupting oil operations. Further, prices rose on escalating tension in Middle East and on signs that demand for oil would increase in US and China
- Copper prices traded with positive bias gaining 0.74% yesterday as market reevaluated the impact of Chinese stimulus packages on base metal demand

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	75297	0.48%	2629.74	0.84%
Silver	90304	1.61%	31.16	2.16%
Copper	855.5	1.69%	9723.00	0.50%
Aluminium	240.6	2.36%	2586.00	1.77%
Zinc	282.8	1.85%	3086.50	2.20%
Lead	183.4	0.00%	2066.50	0.22%
WTI Crude Oil	6394	4.49%	75.85	3.56%
US Nat Gas	224.1	0.63%	2.68	0.56%

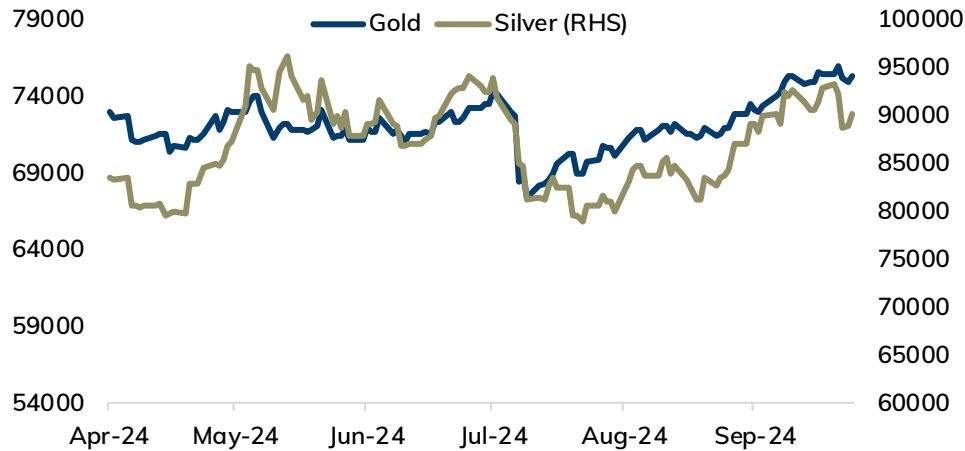
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th October)	84.04	0.00%	2583514	-11504	63220	-58948
EURINR (29th October)	92.01	-0.19%	25116	-3559	5109	3689
GBPINR (29th October)	109.85	-0.08%	25401	699	6456	396

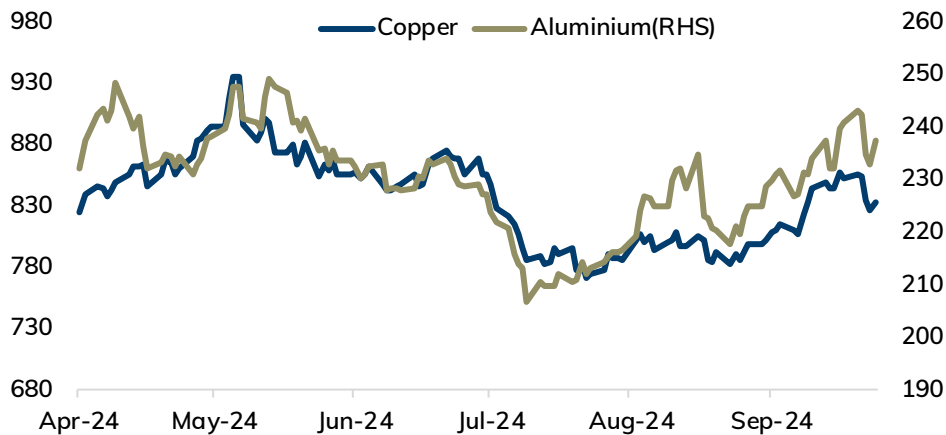
Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Silver Micro	November	Sell	89100-89200	88300	89600	Stoploss Triggered

MCX Gold vs. Silver



MCX Copper vs. Aluminium



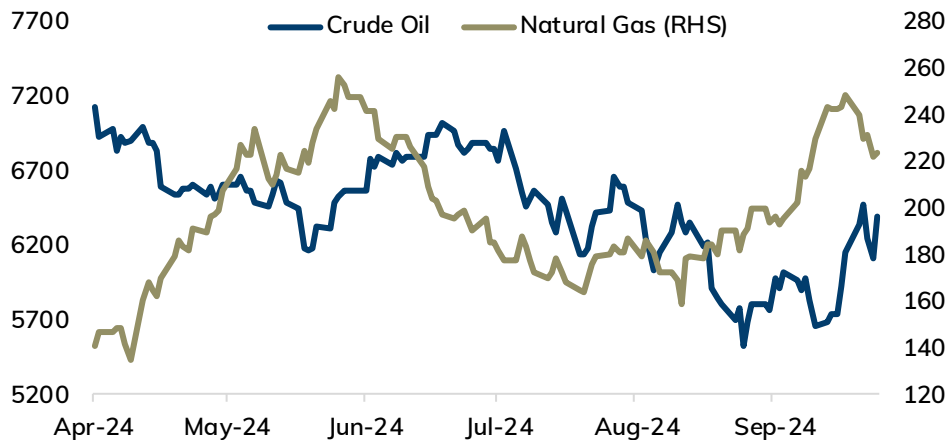
Bullion Outlook

- Spot gold is expected to rise further towards \$2650 level amid weakness in dollar and softening of US treasury yields. Dollar and Yields are moving south as recent back of mixed economic data cemented hopes that US Federal Reserve will deliver another rate cut in November meeting but of smaller magnitude. Further, escalating tension in Middle East will increase the demand for safe haven. Moreover, investors focus will now shift to US PPI data for additional insights on rate cuts
- Spot Gold is likely to rise back towards \$2650 level as long as it stays above \$2615 level (20-Day EMA). MCX Gold December is expected to move further north towards 75,850 level as long as it trades above 75,000 level (20-Day EMA).
- Spot Silver is expected to surpass stiff resistance near \$31.20 level and rise further towards \$31.80 level. It will hold the support near \$30.80 level. MCX Silver December is expected to rise further towards 92,000 level as long as it holds the support near 89,000 level

Base Metal Outlook

- Copper prices are expected to trade with positive bias amid weakness in dollar, optimistic global market sentiments and hopes for more stimulus measures from China to revive economic growth. China's finance ministry is due to hold a highly anticipated news conference on fiscal policy on Saturday. Moreover, recent economic reports from US suggest that the Federal Reserve is on track to cut interest rates at the November policy meeting
- MCX Copper October is expected to hold the support near 822 level and rise back towards 842 level. A break above 842 prices would rally further towards 850 level
- MCX Aluminium is expected to move back towards 240 level as long as it stays above 235 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to rise further towards \$76.50 level amid weak dollar, mounting tension in Middle East and concerns over supply disruption due to Hurricane Milton in US. Further, traders will remain on edge over a potential escalation in the conflict, especially if Israel struck Iran's oil facilities. Moreover, Gulf states, are concerned that their own oil facilities could come under fire, if the conflict escalates between Iran and Israel. Additionally, prices may rally on expectation of further monetary easing by major central banks. Decrease in borrowing costs for consumers and businesses would support economic growth and demand for oil
- MCX Crude oil is likely to hold the support near 6200 level and rise further towards 6480 level. A break above 6480 prices may rise further towards 6550 level
- MCX Natural gas October is expected to rise further towards 235 level as long as it trades above 219 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	74500	74898	75156	75554	75812
Silver	87877	89090	89854	91067	91831
Copper	834.2	844.8	850.9	861.5	867.6
Aluminium	233.7	237.2	239.1	242.5	244.4
Zinc	274.6	278.7	280.9	285.0	287.1
Lead	181.1	182.2	183.1	184.2	185.1
Crude Oil	6096	6245	6324	6473	6552
Nat Gas	214	219	223	228	232

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	84.00	84.02	84.03	84.05	84.07
US\$INR (Nov)	84.08	84.11	84.14	84.17	84.20
EURINR (Oct)	91.81	91.91	92.00	92.10	92.18
EURINR (Nov)	91.69	91.92	92.30	92.53	92.91
GBPINR (Oct)	109.66	109.76	109.86	109.95	110.06
GBPINR (Nov)	109.76	109.88	109.94	110.06	110.12
JPYINR (Oct)	55.73	56.14	56.51	56.91	57.29
JPYINR (Nov)	56.62	56.66	56.75	56.79	56.88

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	102.99	102.93	0.06%
US\$INR	83.98	83.96	0.02%
EURUSD	1.0934	1.0939	-0.05%
EURINR	91.81	92.08	-0.29%
GBPUSD	1.3059	1.3071	-0.09%
GBPINR	109.82	109.89	-0.06%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.777	6.768	0.01
US	4.061	4.073	-0.01
Germany	2.256	2.257	0.00
UK	4.210	4.180	0.03
Japan	0.960	0.935	0.02

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
9/18/2024	8:00 PM	-1.6M	-0.2M
9/11/2024	8:00 PM	0.8M	0.9M
9/5/2024	8:30 PM	-6.9M	-0.6M
8/28/2024	8:00 PM	-0.8M	-2.7M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	299350	4525	1.53%
Aluminium	772775	-2500	-0.32%
Zinc	242450	-1575	-0.65%
Lead	196650	-175	-0.09%
Nickel	132312	-60	-0.05%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, October 07, 2024						
2:00 PM	Europe	Sentix Investor Confidence	-13.8	-14.6	1-5.4	Medium
2:30 PM	Europe	Retail Sales m/m	0.20%	0.20%	0.10%	Medium
Tuesday, October 08, 2024						
11:30 AM	Europe	German Industrial Production m/m	2.90%	0.80%	-2.40%	Medium
6:00 PM	US	Trade Balance	-70.4B	-70.6B	-78.8B	Medium
Wednesday, October 09, 2024						
10:00 AM	India	RBI Interest Rate decision	6.50%	6.50%	6.50%	High
8:00 PM	US	Crude Oil Inventories	5.8M	2.0M	3.9M	Medium
11:30 PM	US	FOMC Meeting Minutes	-	-	-	High
Thursday, October 10, 2024						
6:00 PM	US	CPI y/y	2.40%	2.30%	2.50%	High
6:00 PM	US	Unemployment Claims	258K	229K	225K	High
8:00 PM	US	Natural Gas Storage	82B	73B	55B	Medium
Friday, October 11, 2024						
11:30 AM	UK	GDP m/m	-	0.20%	0.00%	High
11:30 AM	UK	Industrial Production m/m	-	0.20%	-0.80%	Medium
6:00 PM	US	PPI m/m	-	0.10%	0.20%	High
7:30 PM	US	Prelim UoM Consumer Sentiment	-	70.5	70.1	Medium
7:30 PM	US	Prelim UoM Inflation Expectations	-	-	2.70%	Medium



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