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Commodities steady as investors wait for US inflation and job data

Comex Gold held a six-day decline to trade above \$2,634 an ounce, as traders waited for US inflation data that may define Federal Reserve policy easing in the coming months. Bullion fell about 1.25% this week, as Treasury yields rose due to decreased expectations for a larger rate cut by the US central bank. Recent Fed minutes revealed that Chair Jerome Powell faced opposition to September's half-point rate hike, with some officials favoring a smaller reduction.

WTI Crude Oil edged higher to trade above \$74 a barrel after a two-day decline as traders watched for an Israeli response to Iran's missile attack early last week, while US crude stockpiles expanded the most since April. The Israeli-Iranian conflict and the potential for a retaliatory strike have created market volatility. Meanwhile, China's economic slowdown and lack of stimulus measures have dampened demand for oil. Despite these factors, oil prices remain relatively high, supported by hedge fund activity and concerns about global supply.

LME base metals hold steady on hopes that top consumer China will unveil further stimulus measures soon. Markets are speculating that finance officials will announce a major fiscal stimulus package at a press conference scheduled this weekend, which is expected to range between 2-3 trillion yuan. China's central bank also opened a swap facility initially worth 500 billion yuan for financial institutions to fund stock purchases amid efforts to support the capital market. LME Copper trading moderately lower by 0.30% near \$ 9,646 per ton while Aluminium is up 0.40%.

European natural gas prices swung between small gains and losses on Thursday as traders assessed the balance between supply risks in the Middle East and subdued demand prospects due to milder weather. Dutch futures, after a three-day decline, is trading steady on Thursday. Forecasters predict warmer temperatures following a cold spell, reducing heating demand and enabling utilities to increase Europe's already abundant gas reserves.

Today, US CPI, Jobless claims and speech by some Fed officials will be closely watched. US CPI data to be released later today is expected to show inflation further moderating, supporting the Fed's anticipated easing in the coming months.

Date	IST	Currency	Data	Forecast	Previous
10-Oct-24	18:00	USD	Core CPI m/m	0.2%	0.3%
	18:00	USD	CPI m/m	0.1%	0.2%
	18:00	USD	CPI y/y	2.0M	3.9M
	18:00	USD	Unemployment Claims	231K	225K
	20:00	USD	Natural Gas Storage	73B	55B

Source: Forex factory

Evening Track

	Commodity	Support 3	Support 2	Support 1	LTP	Resistance 1	Resistance 2	Resistance 3
Commodities	Spot Gold	2578.1	2599.2	2605.8	2616.3	2626.9	2633.4	2654.5
	MCX Gold Dec	74269	74764	74917	75165	75413	75566	76061
	Spot Silver	29.35	30.05	30.26	30.61	30.96	31.17	31.87
	MCX Silver Dec	86566	88082	88550	89308	90066	90534	92050
	MCX Copper Oct	804.3	816.1	819.7	825.6	831.4	835.0	846.8
	MCX Zinc Oct	271.2	275.4	276.7	278.9	281.0	282.3	286.5
	MCX Lead Oct	177.1	179.0	179.6	180.6	181.6	182.2	184.1
	MCX Aluminium Oct	227.9	231.3	232.3	234.0	235.7	236.7	240.1
	MCX Crude Oil Oct	5926	6103	6157	6246	6335	6389	6566
	MCX Natural Gas Oct	210.18	216.66	218.66	221.90	225.14	227.14	233.62

Source: Bloomberg, KS Commodity Research

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Source: Trading View

BUY	We expect the commodity to deliver 1% or more returns
SELL	We expect the commodity to deliver (-1%) or more returns
SIDEWAYS	We expect the commodity to trade in the range of (+/-)1%
NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any	

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