

November 28, 2024

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	December	Sell	5840-5850	5700	5920	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 pared all its earlier gains but managed to edge higher amid softness in the dollar and decline in US treasury yields. Further, uncertainty over trade tariffs also supported the yellow metals to hold its gains despite a steady rise in US inflation numbers. Last month US Core PCE price index rose by 0.3% MoM and annually it rose to 2.8% from 2.7%, which further sparked concerns that the US FED may move slowly on rate cuts next year.
- U.S dollar index hit its lowest level in a week as investors digested a batch of mixed US economic numbers. Both PCE and core PCE prices rose in line with expectations while personal income and spending were stronger-than-anticipated. Further, US GDP growth in the 3rd quarter remained steady at 2.8% for the six month in a row. Recent data has reinforced the Fed's cautious approach to rate cuts
- US treasury yields traded lower despite a better than expected US economic numbers. Further rise in the probability of 25 bps interest rate cut in December weighed on the treasury yields to slide towards 4.23%. As per the CME Fed-watch tool 25 bps interest rate cut in December has humped to 64% from 59% a day ago.
- NYMEX Crude oil prices edged lower yesterday amid easing geopolitical tension in the Middle East. Further, rise in gasoline stocks outweighed the decline in weekly crude oil inventories numbers and checked the upside in oil prices. Meanwhile, uncertainty over OPEC+ delay in production hike in January provided some support to oil prices.
- Copper price edged higher amid improved risk sentiments and softness in the dollar. Further, increasing probability of rate cut in December also supported the metals to trade higher.
- NYMEX Natural gas prices lost more than 5% yesterday after rallying to a 22-month highs as the weekly inventory data reported a smaller than withdraw in stocks despite cold weather forecast.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	75760	0.73%	2636.0	0.11%
Silver	87680	-0.65%	30.10	-1.12%
Copper	822.6	1.34%	9020.0	0.22%
Aluminium	256.8	0.84%	2595.5	-0.65%
Zinc	290.3	1.86%	3131.5	1.82%
Lead	177.7	0.65%	2056.5	1.76%
WTI Crude Oil	5781	0.09%	68.72	-0.07%
US Nat Gas	261.4	-6.21%	3.20	-6.62%

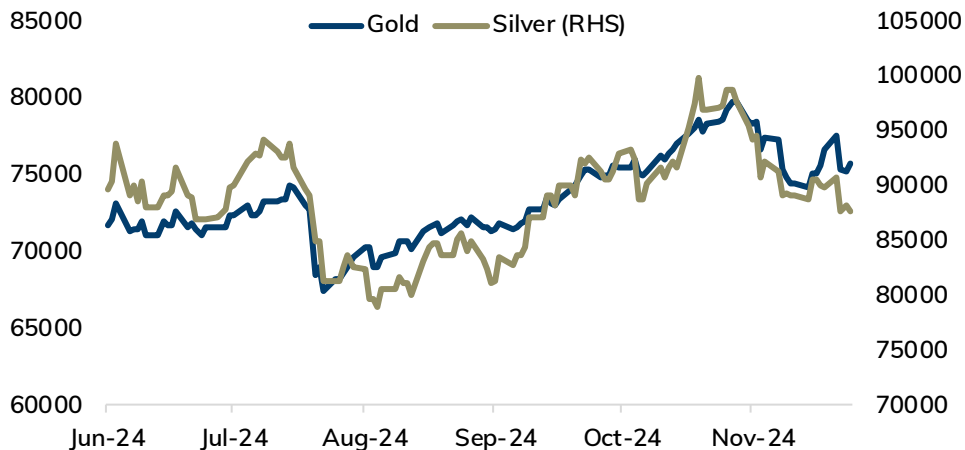
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th December)	84.56	0.13%	1739037	235072	440468	-676840
EURINR (27th December)	89.34	0.43%	8004	4228	5960	1662
GBPINR (27th December)	106.80	0.37%	17883	12838	13980	12442

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	December	Sell	5860-5880	5700	5950	Profit Booked

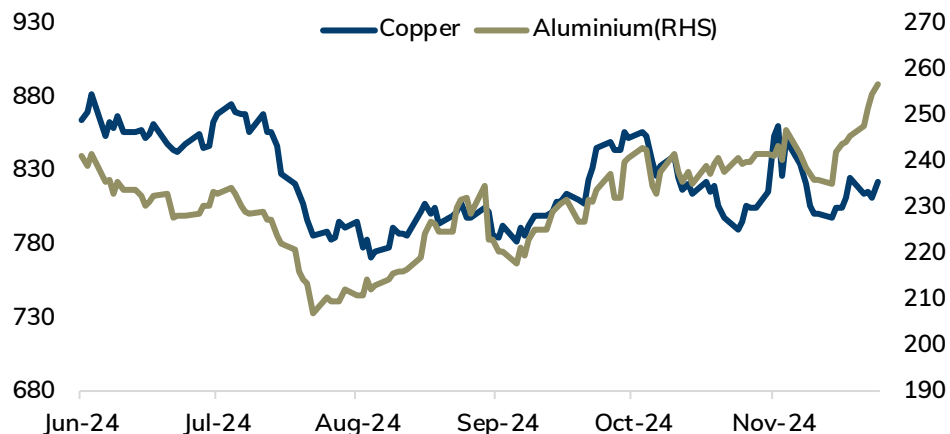
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to move in a tight range of \$2620 to \$2660 amid lack of any major economic events today. US Bank holiday on the eve of Thanksgiving day could bring less participation and lower volatility. Meanwhile, stronger dollar and diminishing chances of more aggressive rate cuts in the coming year would limit the upside in the yellow metals. On the other hand, increasing trade war concerns and escalating war situation between Russia and Ukraine would provide some support to the metal.
- Spot gold is likely to stay in the range of \$2620 and \$2660 with a tilt towards south. Only a move below \$2620 prices would weaken further towards \$2600. Further closer of OI in ATM and OTM put strikes indicates downside in price. MCX Gold February is expected to decline towards 75,500 as long as it remains under 76,600.
- MCX Silver March is expected to move towards 89,200, as long as it trades below 91,500. Below 89,200 it would weaken further towards 87,500.

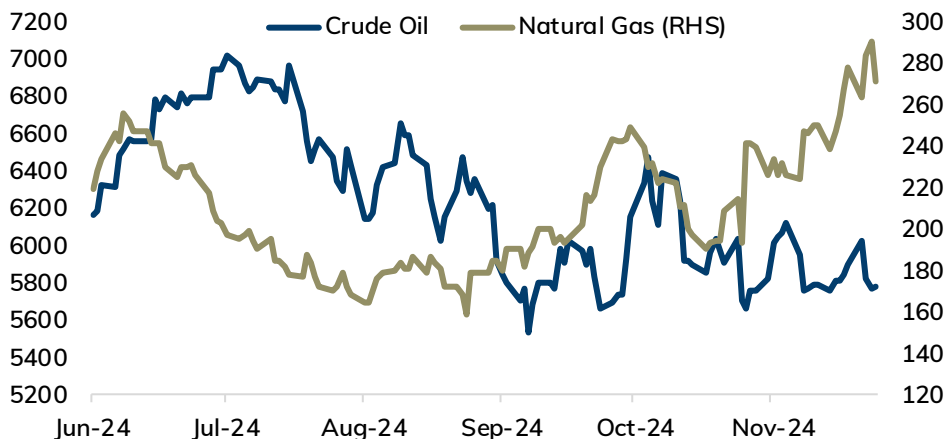
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to trade with positive bias amid improved risk sentiments and better demand outlook from Chinese auto sector. Further, concerns of quality ores and rising cost of production from the top Escondida copper mine would also provide support to the metal. Moreover, depleting inventory levels in SHFE and LME and improved premiums could help the base metals to hold firm.
- MCX Copper December is expected to find the floor near 800 and move higher towards 814. A move above 814 would open the doors towards 818.
- Aluminum is expected to hold firm amid supply concerns after key suppliers from Russia indicated slowdown in production amid higher Alumina prices. MCX Aluminium December is expected to hold the support at 241 and push the price towards 246.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is likely to remain under pressure amid ebbing supply concerns from the Middle east. Cease fire agreement in the Middle East region has taken off the risk premiums. Meanwhile, improved risk sentiments and growing prospects of delay in OPEC+ planned output hike would prevent oil prices to dip below \$67 mark.
- On the data from, fresh addition of OI in OTM calls indicates price to face stiff resistance near \$70. Further closer of OTM put strikes indicates prices to dip towards \$67. MCX Crude oil December is likely to face the hurdle of 20 day EMA at 5900 and weaken towards 5700.
- Natural gas December future is expected to trade lower amid higher inventory levels. Meanwhile, forecast of colder weather would increase demand and limits downside. MCX Natural ga is expected to face the hurdle near 282 and move lower towards 264.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	75377	75569	75835	76027	76293
Silver	86459	87070	88119	88730	89779
Copper	811.2	816.9	820.9	826.6	830.6
Aluminium	246.3	251.5	254.3	259.5	262.3
Zinc	287.8	289.0	290.1	291.3	292.4
Lead	176.6	177.1	177.5	178.1	178.5
Crude Oil	5712	5747	5807	5842	5902
Nat Gas	248	255	267	274	287

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Dec)	84.38	84.47	84.54	84.63	84.70
US\$INR (Jan)	84.60	84.65	84.70	84.75	84.80
EURINR (Dec)	88.55	88.95	89.17	89.57	89.79
EURINR (Jan)	90.64	89.78	90.64	89.78	90.64
GBPINR (Dec)	106.08	106.44	106.66	107.03	107.25
GBPINR (Jan)	107.08	106.79	107.08	106.79	107.08
JPYINR (Dec)	55.13	55.69	55.97	56.53	56.81
JPYINR (Jan)	58.02	57.05	58.02	57.05	58.02

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.08	107.01	-0.87%
US\$INR	84.45	84.34	0.14%
EURUSD	1.0566	1.0489	0.73%
EURINR	88.81	88.61	0.22%
GBPUSD	1.2680	1.2569	0.88%
GBPINR	106.44	106.02	0.40%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.841	6.855	-0.01
US	4.263	4.306	-0.04
Germany	2.160	2.187	-0.03
UK	4.295	4.353	-0.06
Japan	1.071	1.072	0.00

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
11/27/2024	8:00 PM	-1.8M	-1.3M
11/20/2024	8:00 PM	0.5M	-0.1M
11/14/2024	8:00 PM	2.1M	0.4M
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

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	269050	-425	-0.16%
Aluminium	700975	-2500	-0.36%
Zinc	260900	5275	2.06%
Lead	272375	-1800	-0.66%
Nickel	158952	0	0.00%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, November 25, 2024						
2:30 PM	Europe	German ifo Business Climate	85.7	86.1	86.5	Medium
Tuesday, November 26, 2024						
7:30 PM	US	S&P/CS Composite-20 HPI y/y	4.60%	5.10%	5.20%	Medium
8:30 PM	US	CB Consumer Confidence	111.7	112	108.7	High
8:30 PM	US	New Home Sales	610K	724K	738K	Medium
8:30 PM	US	Richmond Manufacturing Index	-14	-10	-14	Medium
Wednesday, November 27, 2024						
7:00 PM	US	Prelim GDP q/q	2.80%	2.80%	2.80%	High
7:00 PM	US	Unemployment Claims	213K	220K	213K	High
7:00 PM	US	Durable Goods Orders m/m	0.20%	0.40%	-0.70%	Medium
8:15 PM	US	Chicago PMI	40.2	44.9	41.6	Medium
8:30 PM	US	Core PCE Price Index m/m	0.30%	0.30%	0.30%	High
8:30 PM	US	Pending Home Sales m/m	2%	-1.70%	7.40%	Medium
9:00 PM	US	Crude Oil Inventories	-1.8M	-1.3M	0.5M	Medium
10:30 PM	US	Natural Gas Storage	-2B	-2B	-3B	Medium
Thursday, November 28, 2024						
12:30 AM	US	FOMC Meeting Minutes	-	-	-	High
All Day	Europe	German Prelim CPI m/m	-	-0.20%	0.40%	High
Friday, November 29, 2024						
5:00 AM	Japan	Tokyo Core CPI y/y	-	2.00%	1.80%	Medium
3:30 PM	Europe	CPI Flash Estimate y/y	-	2.30%	2.00%	Medium
4:00 PM	India	GDP Quarterly YoY	-	-	6.70%	High



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

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

For any queries or grievances: Mr. Bhavesh Soni Email address: headsservicequality@icicidirect.com Contact Number: 18601231122

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