

November 22, 2024

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	December	Buy	5900-5920	6100	5800	Intraday

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News and Developments

- Spot gold prices extended its gain for 4th day in a row amid safe haven buying. Escalating geopolitical tension between Ukraine-Russia boosted safe haven demand for the metal after both the nations fired long range missiles. Further dovish comments from the Fed members also supported the bullions to trade higher.
- US Dollar index regained its strength and moved towards 107 mark after the US weekly jobless claims data indicated strong labor market. Further, better than expected US existing home sales numbers also supported the dollar to trade higher. Weekly initial jobless claims dropped 6,000 to a seasonally adjusted 213,000, a seven-month low.
- U.S. Treasury yields also reversed its losses and moved in a tight range as better than expected US economic numbers reduced the probability of December interest rate cut to 60% from 72% a week ago.
- NYMEX Crude oil prices gained more than 1% on Thursday amid rising geopolitical tension. Escalating tension between Russia and Ukraine has pushed oil prices towards \$70 mark. Meanwhile, weaker demand from China and strong US dollar has checked its upside.
- Copper price remained steady as strong dollar countered its up move on Thursday. Prices got support from the recent stimulus from China. Further, declining inventory levels in China and increasing demand has supported the metal prices to edge higher. Additionally, better than expected US existing home sales numbers also supported the metals.
- NYMEX Natural gas prices surged more than 5% again yesterday amid cooler weather forecast in US and improved export demand. Further, decline in US EIA storage data fueled the rally in gas prices. EIA showed that gas storage fell by 3 billion cubic feet on the week ending November 15th instead of expectations of a 5 billion cubic feet build, first draw of the season.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	76693	0.87%	2669.7	0.72%
Silver	89925	-0.18%	30.79	-0.21%
Copper	824.5	0.81%	9008.5	-0.89%
Aluminium	245.4	0.47%	2631.5	-0.47%
Zinc	280.6	0.48%	2990.0	0.08%
Lead	180.5	-0.39%	1999.0	-1.09%
WTI Crude Oil	5905	1.32%	70.10	1.79%
US Nat Gas	292.3	2.49%	3.34	4.57%

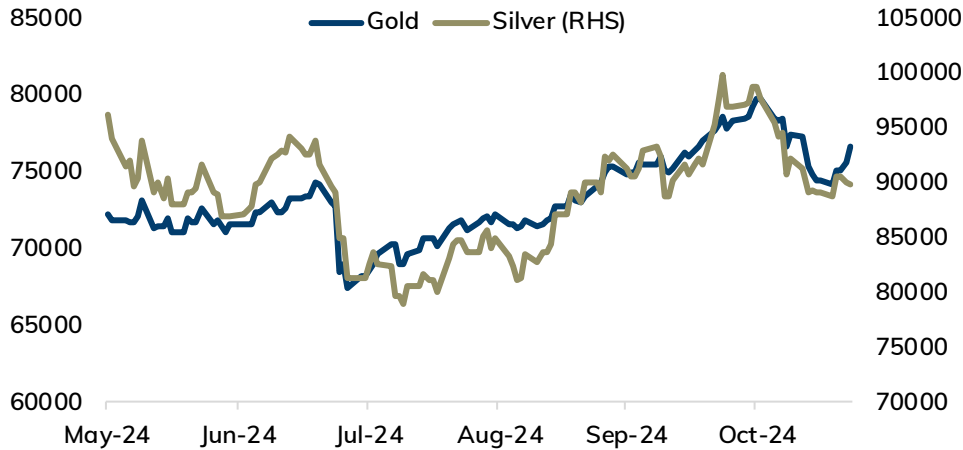
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (27th November)	84.53	0.09%	3520667	-56552	201938	35273
EURINR (27th November)	89.15	-0.24%	22409	1106	3766	-2405
GBPINR (27th November)	106.86	0.12%	34649	2998	5750	2066

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Natural gas	December	Buy	279-280	292	274	Not Initiated

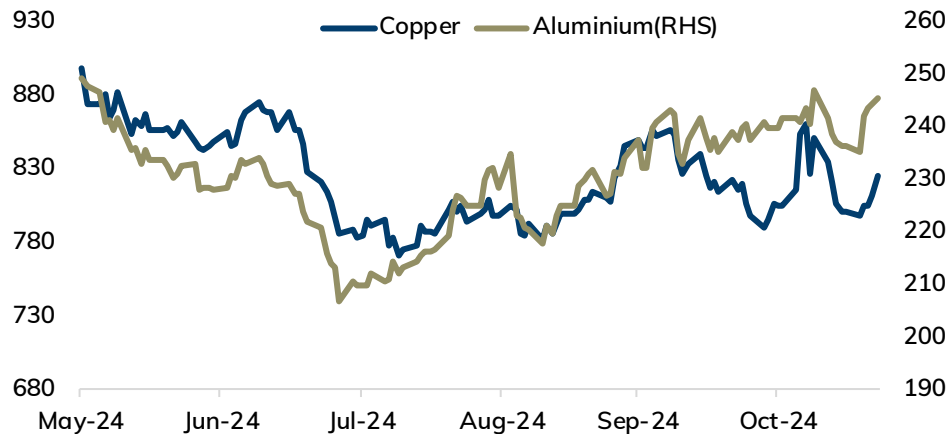
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to extend its rebound towards \$2695 amid safe haven buying following escalating geopolitical tension between Russian and Ukraine. Further, expectation of weak economic numbers from US could bring correction in the dollar and support bullions to trade higher. Meanwhile, diminishing probability of 25 bps interest rate cut by the Fed in December could restrict its upside. Now, focus will remain on the speeches from Fed members, as it could bring more clarity on interest rate outlook.
- Spot gold has formed a bullish engulfing pattern on the daily chart. Now it is expected to retrace 61.8% Fibonacci level of the recent decline at \$2696. MCX Gold December is expected to rise towards 77,200 as long as it holds above 50 day EMA at 76,000.
- Spot Silver is likely to hold the support of 100 day EMA at \$30.60 and rise towards \$31.50. MCX Silver is expected to move towards 91,500, as long as it holds above 89,000.

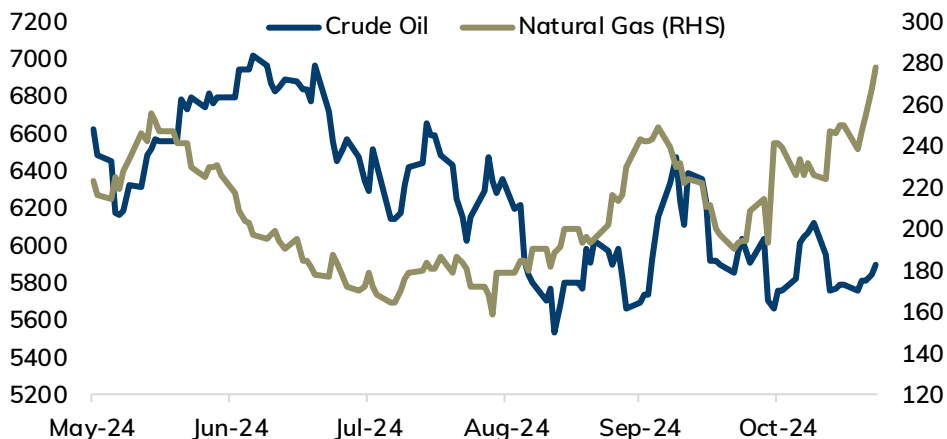
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected face stiff resistance and move lower amid forecast of contraction in the global manufacturing activities. Further, demand uncertainty from China would also weigh on the metal. Meanwhile, depleting inventory levels and improved premiums along with TC charges could provide some support to the base metals.
- MCX Copper November is expected to face the hurdle near 830 and move lower towards 814. Below 814 it would weaken further towards 805.
- MCX Aluminum Nov is expected move in a tight range of 242 and 246. Only a move above 246 it would rise towards 248.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to hold the support near \$68.50 and rise towards \$72 amid escalating geopolitical tension between Russia and Ukraine. Further, increasing demand of crude oil products would also support the oil prices to stay higher. Premiums of oil byproducts has hit multi month high indicating improved demand. Meanwhile, demand concerns from China would limit its upside.
- On the data front, closer of OI in the ATM and OTM call strike indicates an upward bias. MCX Crude oil December is likely to hold the support near 5800 and rise towards 6000. Only above 6000 it would rise towards 6100. Formation of bullish engulfing pattern indicates prices to hold firm above 5800.
- Natural gas November is expected to hold above 270 and move higher towards 290. Forecast of colder US weather and depleting inventory levels would provide support to price.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	75880	76286	76526	76932	77172
Silver	88522	89224	90075	90777	91628
Copper	809.2	816.8	823.7	831.3	838.1
Aluminium	242.0	243.7	245.0	246.7	248.0
Zinc	274.7	277.6	279.3	282.3	284.0
Lead	178.1	179.3	180.6	181.8	183.0
Crude Oil	5764	5835	5896	5967	6028
Nat Gas	278	285	294	302	311

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	84.39	84.46	84.50	84.57	84.61
US\$INR (Dec)	84.48	84.58	84.64	84.74	84.80
EURINR (Nov)	88.88	89.02	89.14	89.27	89.39
EURINR (Dec)	88.73	89.01	89.48	89.76	90.23
GBPINR (Nov)	106.47	106.67	106.91	107.10	107.35
GBPINR (Dec)	107.29	107.39	107.29	107.39	107.29
JPYINR (Nov)	54.42	54.59	54.67	54.84	54.92
JPYINR (Dec)	56.36	55.71	56.36	55.71	56.36

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	106.97	106.68	0.27%
US\$INR	84.50	84.42	0.10%
EURUSD	1.0474	1.0544	-0.66%
EURINR	88.87	89.06	-0.22%
GBPUSD	1.2589	1.2652	-0.50%
GBPINR	106.74	106.60	0.14%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.862	6.846	0.02
US	4.422	4.410	0.01
Germany	2.318	2.351	-0.03
UK	4.443	4.469	-0.03
Japan	1.099	1.077	0.02

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
10/9/2024	8:00 PM	5.8M	2.0M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	272625	775	0.29%
Aluminium	711050	-350	-0.05%
Zinc	264625	-3700	-1.38%
Lead	275800	-250	-0.09%
Nickel	158046	-1362	-0.85%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, November 18, 2024						
Day 1	All	G20 Meetings	-	-	-	High
Tuesday, November 19, 2024						
3:30 PM	UK	Monetary Policy Report Hearings	-	-	-	High
7:00 PM	US	Building Permits	1.42M	1.44M	1.43M	Medium
7:00 PM	US	Housing Starts	1.31M	1.34M	1.35M	Medium
Wednesday, November 20, 2024						
6:30 AM	China	1-y Loan Prime Rate	3.10%	3.10%	3.10%	Medium
6:30 AM	China	5-y Loan Prime Rate	3.60%	3.60%	3.60%	Medium
12:30 PM	UK	CPI y/y	2.30%	2.20%	1.70%	High
9:00 PM	US	Crude Oil Inventories	0.5M	-0.1M	2.1M	Medium
Thursday, November 21, 2024						
7:00 PM	US	Unemployment Claims	213K	220K	217K	High
7:00 PM	US	Philly Fed Manufacturing Index	-5.5	6.3	10.3	Medium
8:30 PM	US	Existing Home Sales	3.96M	3.94M	3.84M	Medium
9:00 PM	US	Natural Gas Storage	-3B	-	42B	Medium
Friday, November 22, 2024						
6:00 AM	Japan	Flash Manufacturing PMI	-	49.5	49.2	Medium
12:30 PM	UK	Retail Sales m/m	-	-0.30%	0.30%	High
1:45 PM	Europe	French Flash Manufacturing PMI	-	44.6	44.5	High
2:00 PM	Europe	German Flash Manufacturing PMI	-	43.1	43	High
2:30 PM	Europe	Flash Manufacturing PMI	-	46	46	Medium
3:00 PM	UK	Flash Manufacturing PMI	-	50.1	49.9	High
3:00 PM	UK	Flash Services PMI	-	52.3	52	High
8:15 PM	US	Flash Manufacturing PMI	-	-	48.5	High
8:15 PM	US	Flash Services PMI	-	-	55	High



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