

December 30, 2024

Daily Commodities Outlook

Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	January	Buy	805-805.50	814	800	Intraday

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News and Developments

- Spot gold prices pared all its earlier gains and settled below \$2620 in a thin holiday trading as strong dollar and higher treasury yields weighed on prices. Skepticism over Fed rate cut in the coming year also restricted the upside in the bullions.
- Silver prices also followed the path of yellow metal and dipped below \$29.50 on Friday amid strong dollar.
- The US dollar index regained its strength despite a large US trade deficit. The US Nov trade deficit widened to -\$102.9 billion from -\$98.3 billion in Oct, a larger deficit than expectations of -\$101.2 billion.
- US treasury yields remained firm near eight-month high amid growing bets of fewer than expected rate cuts by the Federal reserve next year. Additionally, upside inflation risks were magnified by pro-inflationary policy pledges by President-elect Trump, including tariffs on China, the EU, Canada, and Mexico, in addition to tax cuts and expansionary fiscal policy
- NYMEX Crude oil prices moved higher on Friday after the weekly inventory data reported decline in inventories for the 5th time in a row. Crude stocks fell by 4.2 million barrels last week, gasoline stocks rose by 1.6 million barrels, and distillate stocks fell by 1.7 million barrels.
- Base metal prices traded higher amid growing prospects of fresh round of stimulus from China. Chinese authorities have agreed to issue 3 trillion yuan (\$411 billion) worth of special treasury bonds next year.
- NYMEX Natural gas prices fell on Friday after the weekly inventory report showed a slightly smaller than expected storage withdrawal. Last week, US gas inventories were down by 93 bcf against expectation of 100 bcf drawdown.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	76544	-0.37%	2621.4	-0.46%
Silver	88887	-0.84%	29.39	-1.42%
Copper	804.1	0.53%	8982.0	0.35%
Aluminium	252.3	-0.32%	2558.0	-0.27%
Zinc	282.2	0.46%	3031.5	-0.57%
Lead	176.4	0.00%	1969.5	-0.73%
WTI Crude Oil	6029	0.95%	70.60	1.41%
US Nat Gas	284.3	-10.40%	3.51	-5.41%

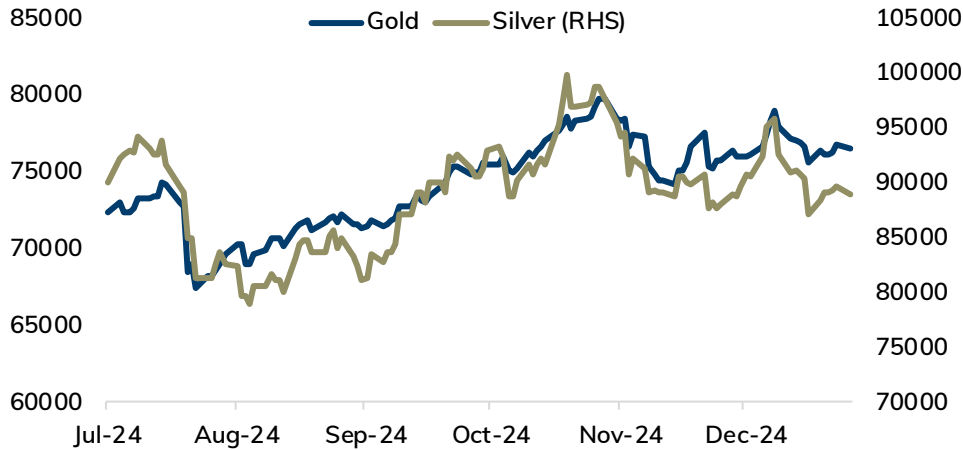
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	85.81	0.31%	2948882	861730	1633789	500013
EURINR (29th January)	89.50	0.56%	14831	4586	5828	-597
GBPINR (29th January)	107.51	0.45%	13144	1345	2483	-1580

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	January	Buy	802.50-803	810	799	Not initiated

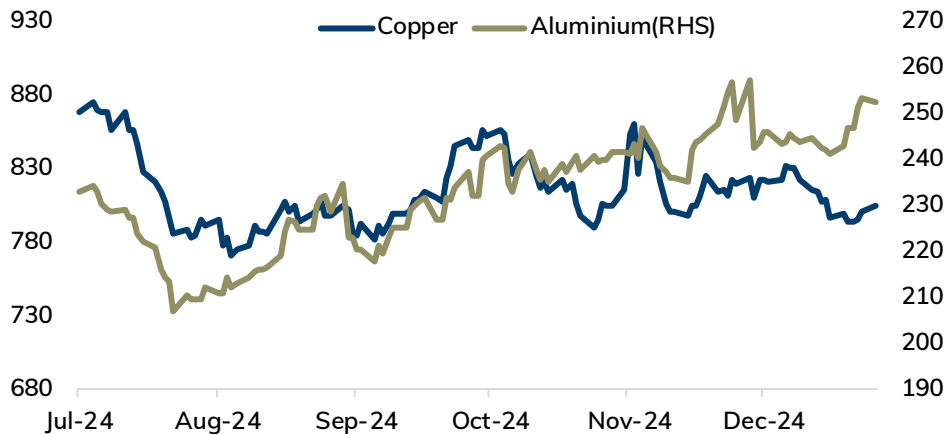
MCX Gold vs. Silver



Bullion Outlook

- Spot gold is expected to move in the band of \$2610 and \$2640 in a thin holiday trading week. A stronger dollar and higher treasury yields likely to limit the upside in the bullions. Further, a decline in net longs indicates liquidation of long positions ahead of the New year holiday. On the other hand, a steady growth in ETF holdings indicates investors interest towards the safe assets for investments.
- Spot gold is hovering below the short-term moving averages, which could act as key resistance near 20 day EMA at \$2640. A move above \$2640 would open the doors towards \$2650. MCX Gold February is expected to move in the band of 76,200 and 77,250.
- Spot silver is hovering near the 200 day EMA at \$29.35. Failure to hold above would weaken its towards \$28.80. On the upside 10 DEMA at \$30.10 would act as resistance. MCX Silver March is expected to move in the range of 88,200 and 90,200.

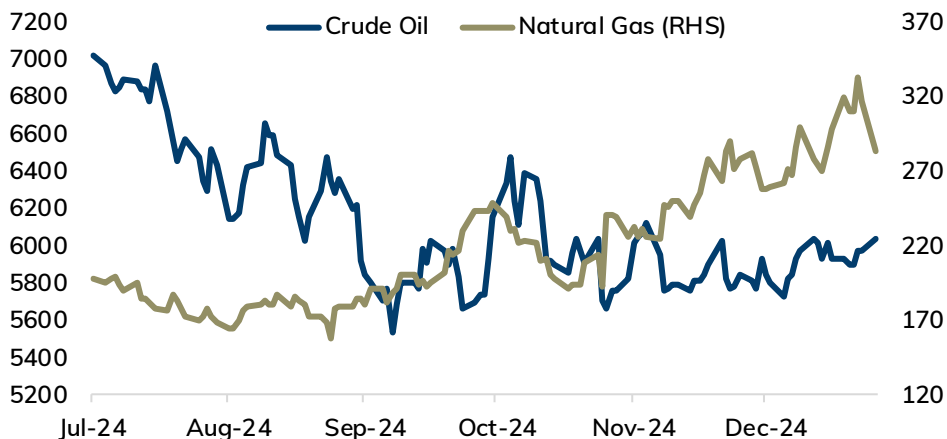
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to move higher amid growing prospects of fresh round of stimulus from China to boost the economy. Further, dovish comments form the PBOC Governor as he indicated more room for monetary policy easing would also provide support to the base metals. Meanwhile, strong dollar could limit the upside in metals.
- MCX Copper January is expected to hold the support near 798, and move higher towards 810. Only a move above the 20 day EMA at 810 would open the doors towards 815.
- Aluminum is expected to find the floor near 240 and move towards 244. MCX Zinc is expected to hold the support near 280, and rebound towards 285. Only a move above 285, it would rise towards 287.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to hold its gains and move towards \$72 amid growing bets of fresh round of stimulus from China. Additionally, expectation of demand improvement from China on the prospects of more fiscal measures could support prices. Furthermore, supply concerns amid heightened tension between Russia and Ukraine would also support prices to stay higher.
- On the data front, addition of OI in OTM put strikes indicates strong support near 5900. At same time closer of OI in ATM calls indicates price recovery. In NYMEX, OI in OTM calls and Puts have been added indicating sideways movement between \$68 and \$72. MCX Crude oil January is likely to move in the range of 5850 and 6050. A move above 6050 would open the doors towards 6150.
- MCX Natural gas January future is expected to hold the support near 278 and move higher towards 296. Cold weather forecast in US could support prices to move higher.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	75949	76247	76709	77007	77469
Silver	87683	88285	89267	89869	90851
Copper	800.3	802.2	804.0	805.9	807.6
Aluminium	248.4	250.4	252.6	254.6	256.8
Zinc	282.2	282.2	282.2	282.2	282.2
Lead	176.4	176.4	176.4	176.4	176.4
Crude Oil	5924	5977	6008	6061	6092
Nat Gas	273	279	288	293	302

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	85.29	85.55	85.81	86.07	86.33
US\$INR (Feb)	85.19	85.58	85.90	86.29	86.61
EURINR (Jan)	88.86	89.18	89.42	89.73	89.97
EURINR (Feb)	90.90	90.29	90.90	90.29	90.90
GBPINR (Jan)	106.79	107.15	107.39	107.75	107.99
GBPINR (Feb)	108.03	107.77	108.03	107.77	108.03
JPYINR (Jan)	53.86	54.16	54.36	54.66	54.86
JPYINR (Feb)	56.28	55.56	56.28	55.56	56.28

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.00	108.13	-0.12%
US\$INR	85.54	85.27	0.32%
EURUSD	1.0426	1.0422	0.04%
EURINR	89.11	88.68	0.49%
GBPUSD	1.2578	1.2525	0.42%
GBPINR	107.01	106.84	0.16%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.785	6.782	0.00
US	4.625	4.583	0.04
Germany	2.323	2.323	0.00
UK	4.575	4.546	0.03
Japan	1.125	1.099	0.03

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
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
14-11-2024	9:00 PM	2.1M	0.4M

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	272725	0	0.00%
Aluminium	652650	-4500	-0.68%
Zinc	244500	-4450	-1.79%
Lead	247900	-1350	-0.54%
Nickel	162090	42	0.03%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, December 30, 2024						
1:30 PM	Europe	Spanish Flash CPI y/y	-	2.60%	2.40%	Medium
8:15 PM	US	Chicago PMI	-	42.7	40.2	Medium
8:30 PM	US	Pending Home Sales m/m	-	0.90%	2%	Medium
Tuesday, December 31, 2024						
7:00 AM	China	Manufacturing PMI	-	50.3	50.3	High
7:00 AM	China	Non-Manufacturing PMI	-	50.2	50	High
7:30 PM	US	S&P/CS Composite-20 HPI y/y	-	4.10%	4.60%	Medium
Wednesday, January 01, 2025						
All Day	Europe	German Bank Holiday	-	-	-	-
All Day	UK	Bank Holiday	-	-	-	-
All Day	US	Bank Holiday	-	-	-	-
Thursday, January 02, 2025						
7:15 AM	China	Caixin Manufacturing PMI	-	51.6	51.5	Medium
7:00 PM	US	Unemployment Claims	-	220K	219K	High
9:30 PM	US	Crude Oil Inventories	-	-	-4.2M	Medium
Friday, January 03, 2025						
8:30 PM	US	ISM Manufacturing PMI	-	48.3	48.4	High
8:30 PM	US	ISM Manufacturing Prices	-	50.5	50.3	Medium
9:00 PM	US	Natural Gas Storage	-	-	-93B	Medium



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