

January 21, 2025

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Silver Micro	February	Buy	91250-91300	92100	90800	Intraday

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News and Developments

- Spot gold prices ended on positive note gaining 0.31%, while Silver prices rose almost 0.5% yesterday due to weak dollar. Further, traders assessed the potential economic impact of US President Donald Trump second term policies
- Spot Silver prices rose towards \$30.50 level on weak dollar and supply concerns. Further, prices moved up on strong industrial demand, particularly in manufacturing
- US Dollar declined yesterday on news that President Donald Trump new administration will not immediately impose trade tariffs. US President Donald trump carried out a series of executive orders during the speech but abstained from making concrete changes to US trade policy
- US Treasury inched higher on Friday after improved economic data from US supported expectations that US Fed would slow pace of rate cuts. The benchmark US Treasury 10-year yield rose to 4.623%. While 2-year treasury yield, which typically moves in step with interest rate expectations increased to 4.283%. Market remained closed yesterday in observance of Martin Luther King Jr. Day, a federal holiday
- MCX Crude oil prices settled lower yesterday losing more than 1.5% yesterday as geopolitical risks declined amid easing tensions in the Middle East, marked by a ceasefire between Hamas and Israel. Further, prices rose as market reacted to US President Donald Trump's pledge to expand domestic crude production
- Copper prices ended on the negative note losing more than 0.7% as PBOC kept key lending rates unchanged for the 3rd consecutive month, despite Beijing's commitment to boosting consumption. Further, market participants remained cautious ahead of US President Donald Trump inauguration

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	78544	-0.61%	2708.2	0.18%
Silver	91442	-0.17%	30.54	0.58%
Copper	831.9	-0.11%	9275.0	0.92%
Aluminium	256.2	0.06%	2691.5	0.26%
Zinc	278.4	0.29%	2963.5	0.73%
Lead	178.1	0.20%	1985.0	0.92%
WTI Crude Oil	6560	-2.38%	77.88	-1.02%
US Nat Gas	332.0	-3.68%	3.95	-7.28%

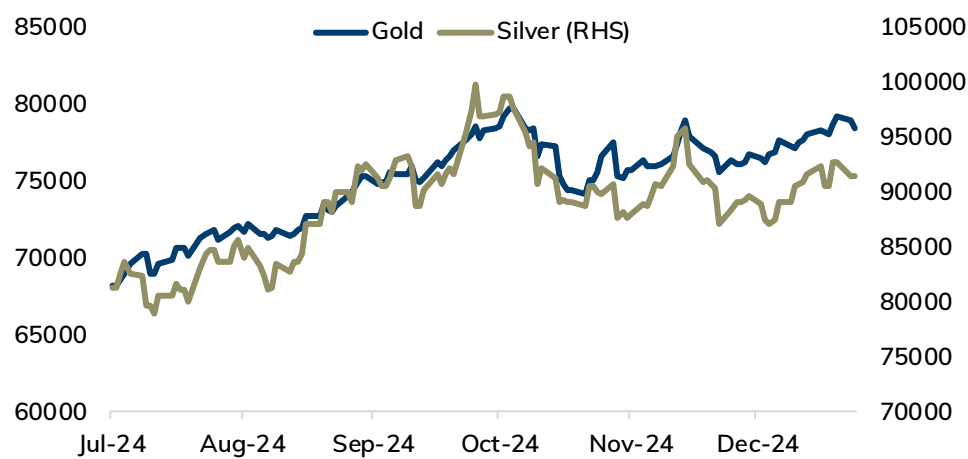
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	86.63	-0.05%	3073926	47584	553645	57210
EURINR (29th January)	89.41	0.09%	21575	-2709	4176	1998
GBPINR (29th January)	105.62	-0.14%	31506	559	4916	-796

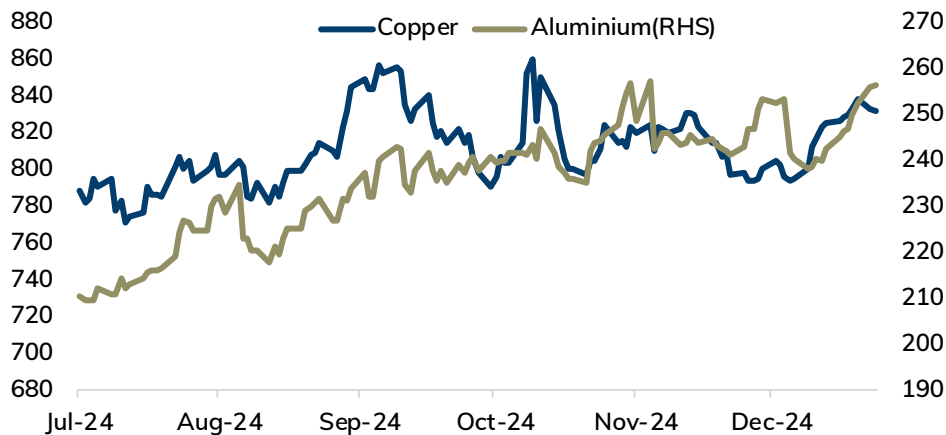
Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	January	Sell	835-836	827	840	Not Initiated

MCX Gold vs. Silver



MCX Copper vs. Aluminium



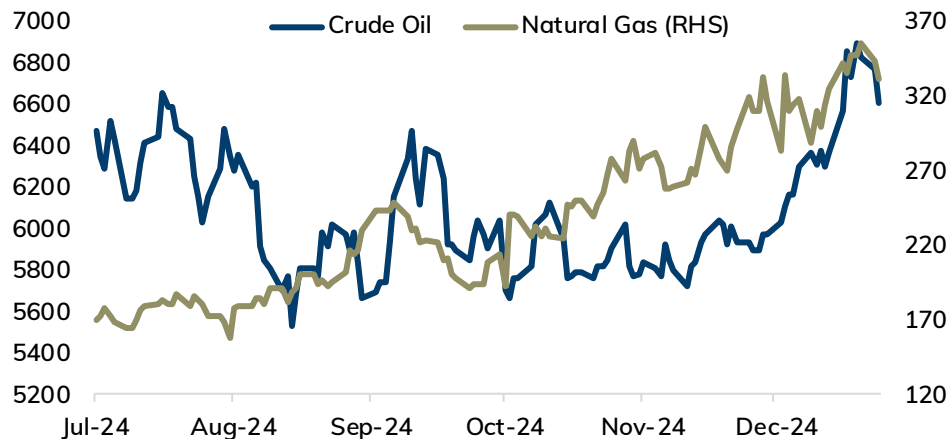
Bullion Outlook

- Spot gold is likely to rise further towards \$2730 level amid weakness in dollar and softening of US treasury yields. Yields slipped as US President Donald Trump did not impose tariffs on his first day in office, signaling gradual approach to policies and reduce the concerns over rising inflation. While, trump said he was thinking of imposing 25% tariffs on imports from Canada and Mexico, though details were lacking. Additionally, lack of solid tariff measures turned investors a little more dovish on the US rate outlook
- Spot gold is likely to rise towards \$2730 level as long as it trades above \$2690 level. A break above \$2730 level prices may rise further towards \$2750 level. MCX Gold February is expected to rise back towards ₹79,200 level as long as it stays above ₹78,300 level
- Spot Silver is likely to rise further towards \$31.0 as long as it trades above \$30.20 level. MCX Silver March is expected to rise towards ₹93,000 level as long as it trades above ₹90,500 level

Base Metal Outlook

- Copper prices are expected to trade with negative bias as China's central bank left its benchmark loan prime rate unchanged for 3rd consecutive month. Further, prices may dip on expectation of disappointing economic data from major economies and rise in LME inventories. However, sharp fall in prices may be cushioned following news that the US president Donald Trump will refrain from immediately implementing aggressive tariffs
- MCX Copper January is expected to slip towards ₹820 level as long as it stays below ₹838 level. A break below ₹820 level copper prices may slip further towards ₹815 level
- MCX Aluminium Jan is expected to rise towards ₹258 level as long as it stays above ₹255 level. MCX Zinc Jan is likely to rise towards ₹280 level as long as it stays above ₹276 level

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is expected to trade with negative bias and slip further towards \$75 level on easing tensions in the Middle East following ceasefire between Hamas and Israel. Further, prices may dip as US President Donald Trump announced a plan to maximize US oil and gas production by declaring a national emergency. Meanwhile, sharp fall in prices may be cushioned on weakness in dollar and rise in risk appetite in the global markets. Additionally, US President Donald trump refrained from declaring trade tariffs on China in his first day in office, as widely feared
- NYMEX Crude oil is likely to slip further towards \$75 level as long as it stays below \$78.0 level. MCX Crude oil Feb is likely to slip further towards ₹6450 level as long as it stays below ₹6750 level.
- MCX Natural gas Jan is expected to slip further towards 320 level as long as it stays below 340 level. A break below 320 level prices may slip further towards 312 level.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	77976	78260	78705	78989	79434
Silver	90083	90762	91381	92060	92679
Copper	825.2	828.5	831.5	834.8	837.8
Aluminium	253.9	255.1	256.0	257.2	258.1
Zinc	275.3	276.9	278.0	279.6	280.7
Lead	176.1	177.1	178.1	179.1	180.2
Crude Oil	6433	6497	6578	6642	6723
Nat Gas	318	325	333	339	347

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	86.49	86.56	86.60	86.68	86.72
US\$INR (Feb)	86.77	86.81	86.83	86.87	86.89
EURINR (Jan)	89.06	89.24	89.33	89.50	89.59
EURINR (Feb)	90.98	90.45	90.98	90.45	90.98
GBPINR (Jan)	105.32	105.47	105.63	105.78	105.94
GBPINR (Feb)	106.38	106.27	106.38	106.27	106.38
JPYINR (Jan)	55.69	55.74	55.79	55.84	55.89
JPYINR (Feb)	56.57	56.13	56.57	56.13	56.57

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	109.35	109.35	0.00%
US\$INR	86.57	86.61	-0.05%
EURUSD	1.0416	1.0273	1.39%
EURINR	89.22	89.18	0.05%
GBPUSD	1.2328	1.2169	1.31%
GBPINR	105.42	105.64	-0.21%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.761	6.765	0.00
US	4.627	4.627	0.00
Germany	2.526	2.535	-0.01
UK	4.659	4.660	0.00
Japan	1.201	1.203	0.00

US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
15-01-2025	9:00 PM	-2.0M	-1.0M
08-01-2025	9:00 PM	-1.0M	-1.8M
02-01-2025	9:00 PM	-1.2M	-2.4M
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

LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	260150	75	0.03%
Aluminium	606875	-2500	-0.41%
Zinc	199125	-2225	-1.11%
Lead	232650	-1725	-0.74%
Nickel	170214	720	0.42%

Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, January 20, 2025						
6:30 AM	China	5-y Loan Prime Rate	3.60%	3.60%	3.60%	Medium
All day	US	Bank Holiday		-	-	-
Tuesday, January 21, 2025						
12:30 PM	Uk	Claimant Count Change		10.3K	0.3K	High
12:30 PM	Uk	Average Earnings Index 3m/y		5.60%	5.20%	Medium
3:30 PM	Europe	German ZEW Economic Sentiment		15.2	15.7	Medium
Wednesday, January 22, 2025						
Tentative	All	WEF Annual Meetings		-	-	-
8:45 PM	Europe	ECB President Lagarde Speaks		-	-	Medium
Thursday, January 23, 2025						
7:00 PM	US	Unemployment Claims		220K	217K	High
9:30 PM	US	Crude Oil Inventories		-	(-2.0)M	Medium
Friday, January 24, 2025						
Tentative	Japan	BOJ Policy Rate		<0.5%	<0.25%	High
2:30 PM	Europe	Flash Manufacturing PMI		45.5	45.1	Medium
2:30 PM	Europe	Flash Services PMI		51.4	51.6	Medium
3:00 PM	UK	Flash Manufacturing PMI		46.9	47	High
3:00 PM	UK	Flash Services PMI		50.8	51.1	High
8:15 PM	US	Flash Manufacturing PMI		-	49.4	High
8:15 PM	US	Flash Services PMI		-	56.8	High
8:30 PM	US	Existing Home Sales		4.19M	4.15M	Medium
8:30 PM	US	Revised UoM Consumer Sentiment		-	73.2	Medium



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