

October 15, 2024

# Daily Commodities Outlook

## Daily Recommendations

Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	October	Buy	75450-75500	76000	75150	Intraday

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## News and Developments

- Spot gold prices ended on negative note losing more than 0.3%, while Silver prices slipped by 1% amid strong dollar and as extensive economic stimulus measures in China, failed to invoke investor confidence
- US Dollar climbed to 10-week high yesterday on hawkish comments from Fed officials. Fed Governor Waller and Minneapolis Fed President Kashkari favored a slow pace to Fed rate cuts. Kashkari said in a speech "As of right now, it appears likely that further modest reductions in our policy rate will be appropriate in the coming quarters to achieve both sides of our mandate." Additionally, weakness in Yen boosted dollar. Yen tumbled to a 2-1/4 month low
- The US bond market remained shut yesterday for Indigenous Peoples' Day.
- Crude oil prices settled lower yesterday losing almost 5% amid strong dollar and as OPEC again lowered its outlook for 2024 and 2025 global oil demand growth. Further, prices slipped on reports that China's oil imports fell for the 5<sup>th</sup> straight month
- OPEC in a monthly report said world oil demand will rise by 1.93 million barrels per day (bpd) in 2024, down from growth of 2.03 million bpd it expected last month. China accounted for the bulk of the 2024 downgrade. OPEC trimmed its Chinese growth forecast to 580,000 bpd from 650,000 bpd. OPEC cut its 2025 global demand growth estimate to 1.64 million bpd from 1.74 million bpd
- Copper prices traded with negative bias losing more than 1.8% amid strong dollar, weak economic data from China and lack of details on China's stimulus plans

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	76046	-0.34%	2648.54	-0.30%
Silver	90736	-1.04%	31.20	-1.08%
Copper	850.6	-1.65%	9659.50	-1.35%
Aluminium	241.3	-1.61%	2594.00	-1.46%
Zinc	283.3	-1.51%	3082.50	-2.27%
Lead	183.9	-0.81%	2065.00	-1.53%
WTI Crude Oil	6245	-1.87%	73.83	-2.29%
US Nat Gas	210.9	-5.13%	2.49	-5.24%

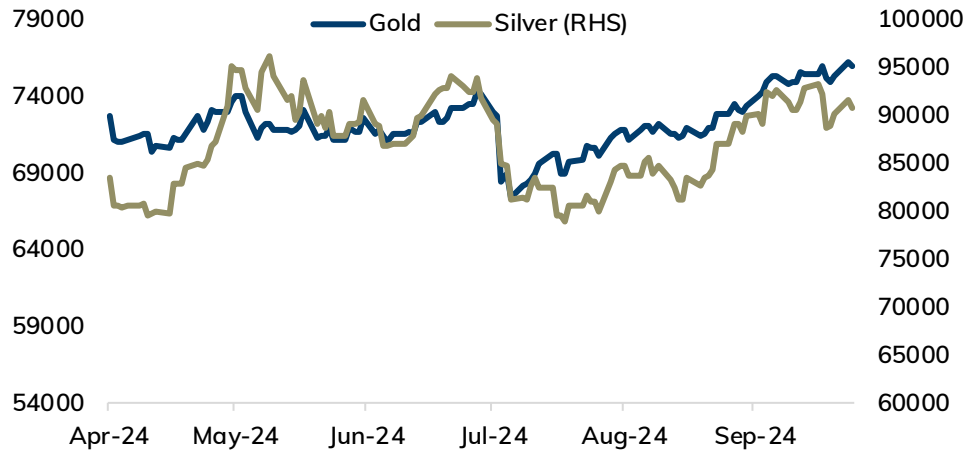
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th October)	84.11	-0.04%	2755623	74546	352574	-342501
EURINR (29th October)	91.94	-0.17%	23584	-383	2299	-402
GBPINR (29th October)	109.77	-0.12%	24565	172	3434	-6273

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	October	Sell	840-841	832	845	Not Initiated

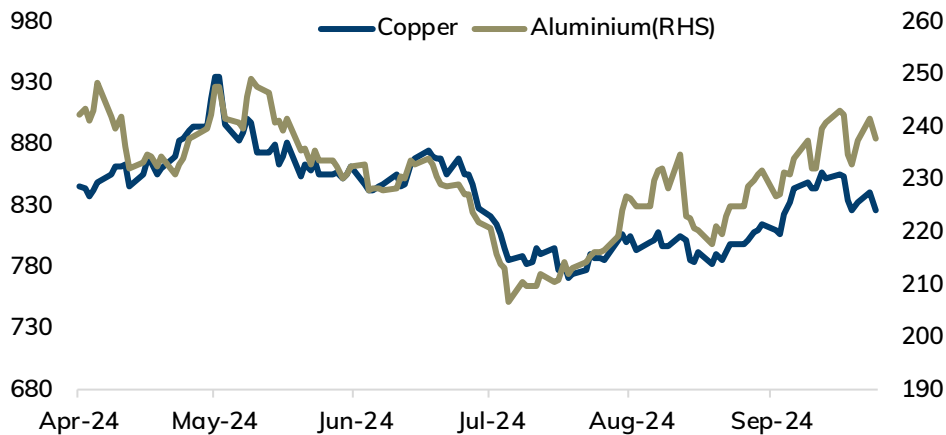
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is expected to rise back towards \$2670 level amid expectation of correction in dollar and softening of US treasury yields. Further, escalating geopolitical tension in region will increase demand for safe haven. China conducted large scale military exercises around Taiwan and its islands yesterday in what it called a "warning" against Taiwan's independence. Moreover, investors will keep an close eye on economic data from US and statements from Fed officials to get more clarity on central banks monetary stance.
- Spot Gold is likely to rise back towards \$2670 level as long as it stays above \$2630 level. MCX Gold December is expected to rise towards 76,500 level as long as it trades above 75,700 level (10-Day EMA)
- Spot Silver is expected to dip further towards \$30.70 level as long as it stays below \$31.50 level. MCX Silver December is expected to slip back towards 89,500 level as long as it trades below 91,800 level. A break below 89,500 level prices may dip further towards 89,000 level

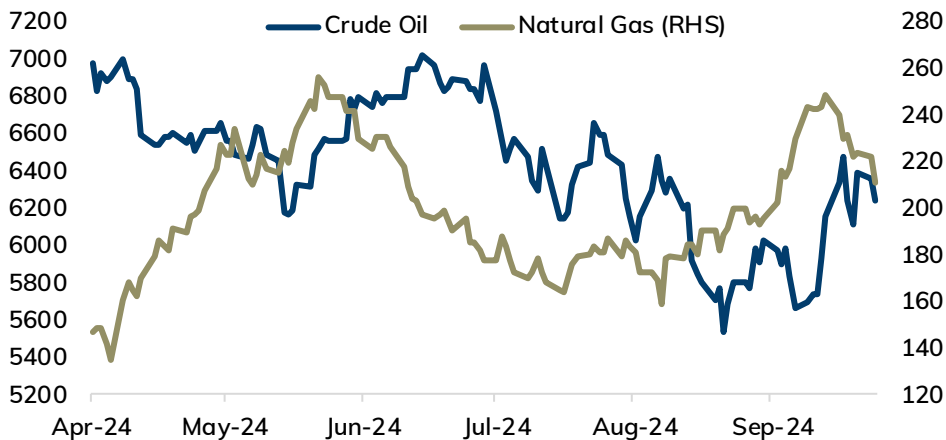
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected to trade with negative bias as weak economic data from China raised concerns over economic health of the country. Further, China's stimulus announcement over the weekend failed to boost market confidence as it lack concrete monetary amounts. Meanwhile, sharp downside may be cushioned as China's imports of unwrought copper rose in September, due to improving seasonal demand and a better consumption outlook. Data showed imports stood at 479,000 metric tons last month, up 15.4% from August's imports
- MCX Copper October is expected to dip further towards 820 level as long as it stays below 835 level. A break below 820 prices would slip further towards 813 level
- MCX Aluminium is expected to move back towards 235 level as long as it stays below 240 level

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to slip further towards \$70 level amid another downgrade of oil demand outlook by OPEC. OPEC cut its forecast for global oil demand growth in 2024 and 2025, marking the group's 3<sup>rd</sup> consecutive downward revision. Further, prices may slip on media reports that Israel is willing to strike Iranian military and not nuclear or oil targets. Moreover, China's stimulus plans failed to inspire investor confidence. Furthermore, trade data showed China's crude imports for the first 9 months of the year fell nearly 3% from last year to 10.99 million bpd. Addition of OI at call strike 72 would act as immediate resistance for the prices, while higher OI concentration at put strike 70 would act as strong support
- MCX Crude oil Nov is likely to move south towards 5900 level as long as it stays below 6300 level.
- MCX Natural gas October is expected to slip further towards 204 level as long as it trades below 215 level.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	75624	75835	76151	76362	76678
Silver	89719	90227	90936	91444	92153
Copper	841.1	845.8	854.1	858.9	867.2
Aluminium	237.7	239.5	242.3	244.0	246.8
Zinc	278.1	280.7	283.5	286.0	288.8
Lead	182.6	183.2	183.9	184.5	185.1
Crude Oil	6122	6183	6242	6303	6362
Nat Gas	204	208	214	217	223

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	84.08	84.10	84.12	84.13	84.15
US\$INR (Nov)	84.19	84.21	84.23	84.25	84.28
EURINR (Oct)	91.76	91.85	91.99	92.08	92.22
EURINR (Nov)	92.01	92.07	92.15	92.21	92.29
GBPINR (Oct)	109.62	109.69	109.82	109.90	110.03
GBPINR (Nov)	109.72	109.79	109.87	109.94	110.02
JPYINR (Oct)	56.26	56.28	56.32	56.34	56.38
JPYINR (Nov)	56.84	56.71	56.84	56.71	56.84

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	103.30	102.89	0.40%
US\$INR	84.06	84.07	-0.01%
EURUSD	1.0909	1.0937	-0.26%
EURINR	91.87	91.98	-0.12%
GBPUSD	1.3059	1.3067	-0.06%
GBPINR	109.73	109.89	-0.14%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.783	6.792	-0.01
US	4.100	4.100	0.00
Germany	2.275	2.265	0.01
UK	4.238	4.207	0.03
Japan	0.952	0.952	0.00

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
10/9/2024	8:00 PM	5.8M	2.0M
10/2/2024	8:00 PM	3.9M	-1.5M
9/25/2024	8:00 PM	-4.5M	-1.3M
9/18/2024	8:00 PM	-1.6M	-0.2M
9/11/2024	8:00 PM	0.8M	0.9M
9/5/2024	8:30 PM	-6.9M	-0.6M
8/28/2024	8:00 PM	-0.8M	-2.7M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	292850	-4700	-1.58%
Aluminium	769275	-1000	-0.13%
Zinc	240625	-1375	-0.57%
Lead	195300	-575	-0.29%
Nickel	132546	-24	-0.02%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, October 14, 2024						
Tentative	China	New Loans	1590B	1090B	900B	Medium
5:30 PM	India	Inflation Rate y/y	5.5%	3.6%	3.7%	High
Tuesday, October 15, 2024						
11:30 AM	UK	Claimant Count Change		20.2K	23.7K	High
11:30 AM	UK	Average Earnings Index 3m/y		3.80%	4.00%	Medium
2:30 PM	Europe	German ZEW Economic Sentiment		10.2	3.6	Medium
6:00 PM	US	Empire State Manufacturing Index		3.40	11.50	Medium
Wednesday, October 16, 2024						
11:30 AM	UK	CPI y/y		1.9%	2.2%	High
12:00 AM	Europe	ECB President Lagarde Speaks		-	-	Medium
Thursday, October 17, 2024						
2:30 PM	Europe	Final CPI y/y		1.80%	1.80%	Medium
5:45 PM	Europe	Main Refinancing Rate		3.40%	3.65%	High
6:00 PM	US	Retail Sales m/m		0.30%	0.10%	High
6:00 PM	US	Unemployment Claims		241k	258k	High
6:15 PM	Europe	ECB Press Conference		-	-	High
8:30 PM	US	Crude Oil Inventories		-	5.8M	Medium
Friday, October 18, 2024						
7:30 AM	China	GDP q/y		4.60%	4.70%	High
7:30 AM	China	Industrial Production y/y		4.60%	4.50%	Medium
7:30 AM	China	Retail Sales y/y		2.50%	2.10%	Medium
11:30 AM	UK	Retail Sales y/y		-0.3%	1.0%	Medium
6:00 PM	US	Building Permits		1.45M	1.48M	Medium



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