

Commodities edge higher as traders keenly await key US data

COMEX Gold steadied on Tuesday as traders look for upcoming US economic data that will clarify when the Federal Reserve might cut the interest rates. The manufacturing PMI data on Monday suggests a potential cooling of inflation, aligning with last week's PCE report that indicated a continued diminishment of inflationary pressures and a trajectory closer to the Fed's 2% target.

According to the World Gold Council, central banks bought a net 10 tonnes of gold in May, a drop of 56% from April, which is well below the 12-month average of 42 tonnes.

WTI Oil traded near a two-month high after breaking out of its recent trading range on an escalation in tensions in the Middle East and concerns over the rapid start to the Atlantic hurricane season. Israel's military said 18 soldiers injured in a drone attack by Iran-backed Hezbollah, one of them seriously, threatening to move the conflict closer to a full-scale war. Brent crude traded near \$88 a barrel after rising Monday, while West Texas Intermediate was above \$84. (Bloomberg)

LME base metals trading positive on signs of improving China demand. Copper prices rose on Tuesday supported by stock withdrawals in South Korea relieved some oversupply pressure and as signs emerged of improving demand from China. At the LME Gwangyang warehouse in South Korea, 8,000 tons of fresh warrant cancellations in LME copper warehouses signaled that inventory is likely to be shipped out soon. Benchmark copper on the LME was up 0.85% at \$9,685 a metric ton. LME Nickel and Zinc trading higher by 0.43% and 1.01%.

European natural gas prices steadied as market participants assessed the impact of heat waves and natural disasters around the world on the region's balance of supplies. Benchmark futures swung between small gains and losses on Tuesday to hold above €33 a megawatt-hour. (Bloomberg)

For the week, US ISM PMIs, Jobs data, FOMC meeting minutes and comments from Fed chair Jerome Powell will be in spotlight. The Minutes will shed light on why committee members lowered their expectations for 2024 rate cuts, even as they left their growth and unemployment forecasts unchanged.

Today, markets will look for speech by Fed Chair Jerome Powell and US Jolts jobs openings data for commodity directions.

Date	IST	Currency	Data	Forecast	Previous	Importance
02-Jul-24	19:00	USD	Fed Chair Powell Speaks			High
	19:30	USD	JOLTS Job Openings	7.96M	8.06M	High

Source: Forex factory

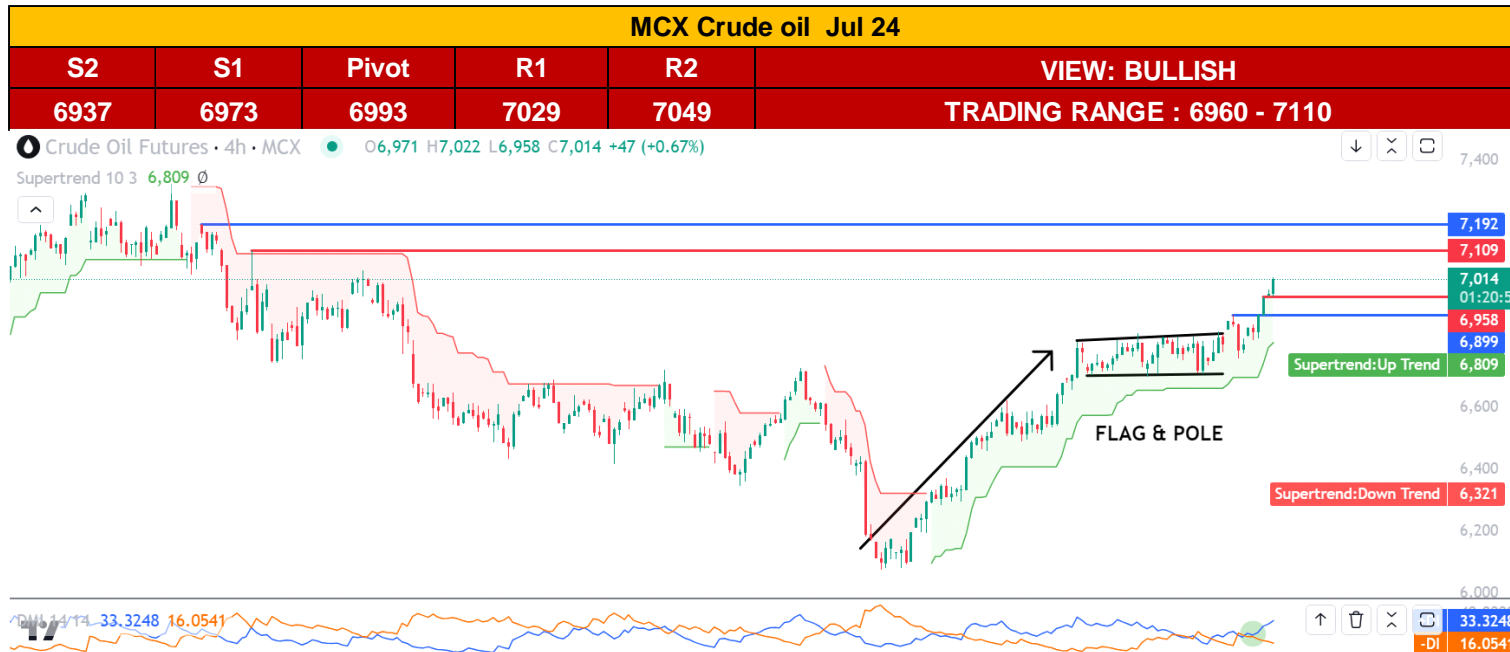
TREND IS FRIEND- EVENING SESSION

COMMODITY	LTP	S2	S1	Pivot	R1	R2	Price Trend
MCX Gold Aug 24	71650	71485	71567	71683	71765	71881	MILD BULLISH
MCX Silver Sep 24	87830	87377	87603	87819	88045	88261	BULLISH
MCX Bulldex Jul 24	18444	18360	18402	18424	18466	18488	BULLISH
MCX Crude oil Jul 24	7008	6937	6973	6993	7029	7049	BULLISH
MCX Natural Gas Jul 24	206.9	205.0	205.9	207.0	207.9	209.0	BEARISH
MCX Copper Jul 24	848.8	839.3	844.1	847.5	852.3	855.7	BULLISH
MCX Aluminium Jul 24	231.4	229.7	230.6	231.1	231.9	232.4	BULLISH
MCX Lead Jul 24	189.7	188.5	189.1	189.6	190.2	190.7	MILD BEARISH
MCX Zinc Jul 24	267.4	263.1	265.2	268.6	270.8	274.2	MILD BULLISH
\$Spot Gold	2326	2317	2321	2328	2332	2339	BEARISH
\$Spot Silver	29.30	29.09	29.20	29.34	29.45	29.59	MILD BULLISH

Price updated as on – 3:55 PM IST (Source: Bloomberg)

TREND IS FRIEND- EVENING SESSION- EXPLANATION

S, R and PP indicates Support, Resistance and Pivot points for the day respectively. The report is calculated based on the last traded price. We are using statistical formulas to determine the price trend. Bullish and Bearish are just an indication of the trend.



Source: Trading View

RATING SCALE FOR DAILY REPORT

BUY - We expect the commodity to deliver 1% or more returns

SELL - We expect the commodity to deliver (-1%) or more returns

SIDEWAYS- We expect the commodity to trade in the range of (+/-)1%

NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any

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