

January 2, 2025

Daily Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude Oil	January	Buy	6130-6140	6300	6050	Intraday

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News and Developments

- Gold prices in MCX traded in a tight range on Wednesday, as most global indices were closed in the eve of New Year holiday. Weakness in the rupee supported the precious metal to edge higher in the morning session of trading.
- Silver prices remained steady near its 1-week lows as demand uncertainty and overcapacity in China's solar panel industry weighed on the metal prices.
- The US dollar index on Tuesday traded higher and hit 108.50 mark amid growing bets of fewer rate cuts in 2025. Better than expected US housing numbers also supported the dollar to trade higher. Additionally, recovery in the US treasury yields, which strengthened the dollar's interest rate differentials supported its gains.
- NYMEX Crude oil is trading higher in the morning session, amid improved demand in US. Fall in API crude oil inventory levels for the 3rd week in a row supported prices to went past \$72 mark. Further, escalating tension between Ukraine and Russia has raised supply concerns.
- Base metal prices took a pause in its decline and held steady near 2-week's lows amid demand concerns after the Chinese manufacturing PMI data rose at a slower pace in last 3-months. The country's official purchasing managers' index for December came in at 50.1 against expectation of 50.3.
- NYMEX Natural gas prices are trading lower today, amid warmer weather forecast in US. Meanwhile, improved export demand from US has limited its decline.

Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	76893	0.19%	2624.5	0.69%
Silver	87578	0.40%	28.90	-0.17%
Copper	793.9	-0.24%	8768.0	-1.59%
Aluminium	241.7	-4.58%	2551.5	0.02%
Zinc	279.6	-1.57%	2978.5	-1.34%
Lead	177.6	0.68%	1952.0	0.23%
WTI Crude Oil	6164	0.10%	71.72	1.03%
US Nat Gas	315.2	1.55%	3.63	-7.70%

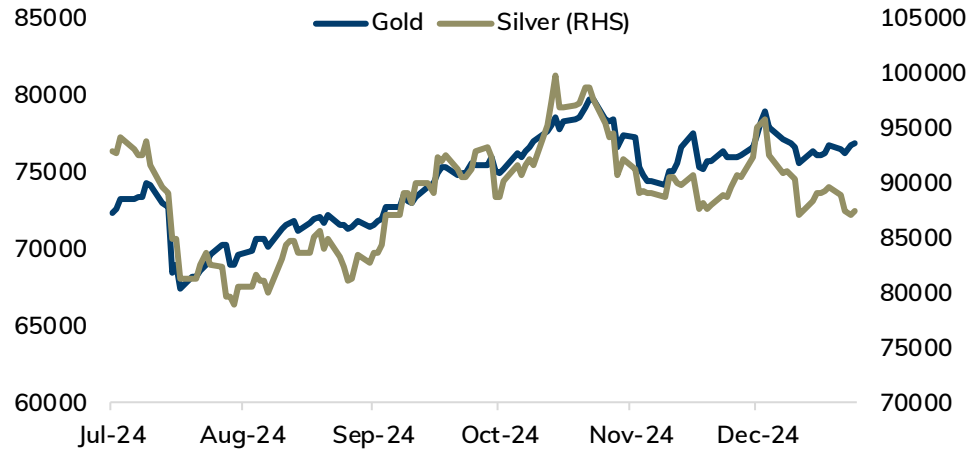
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (29th January)	85.85	-0.04%	3081444	91375	200251	-279841
EURINR (29th January)	89.10	-0.34%	17665	561	3949	2746
GBPINR (29th January)	107.57	-0.13%	13850	72	1016	-3518

Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Crude Oil	January	Buy	6100-6110	6250	6020	Not Initiated

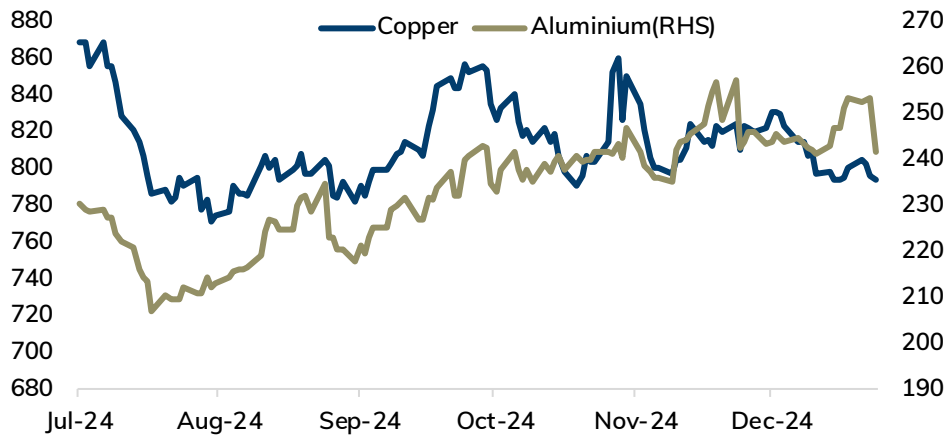
MCX Gold vs. Silver



Bullion Outlook

- Spot Gold is expected to move in the band of \$2600-\$2640 as most investors awaited more clues on Trump policies. Escalating geopolitical tension in Middle East and Eastern Europe would provide support to prices. Additionally, rising continuous jobless claims numbers could also help the yellow metal to stay higher. Whereas, strong dollar and growing prospects of lesser interest rate cut in US would limit its upside.
- MCX Gold February is expected to move in the band of 76,350 and 77,200. Only a move above 77,200 it would open the doors towards 77,600. On the other hand a move below 76,350 would weaken it towards 75,800.
- MCX Silver March is expected to move in the range of 86,500 and 89,000. It is expected to hold the multiple support near 86,500 and rebound towards 89,000. Only close below 86,500 it would turn bearish.

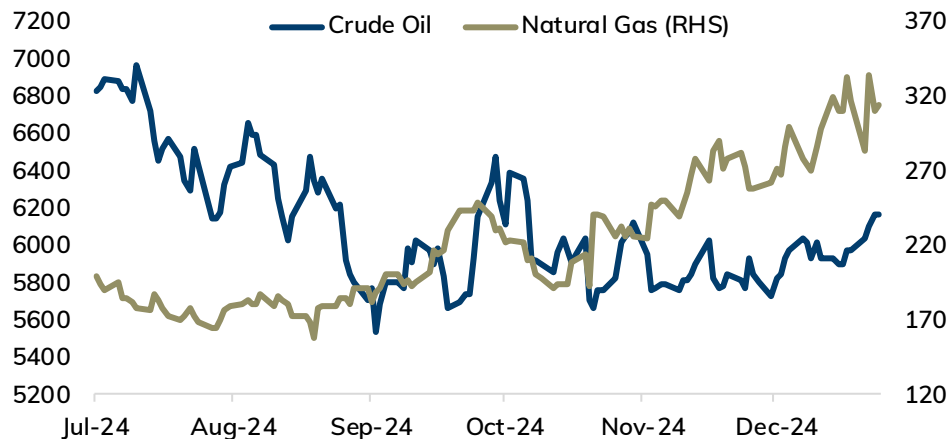
MCX Copper vs. Aluminium



Base Metal Outlook

- Copper prices are expected to consolidate near its key supports amid growing bets of more stimulus measures from China to support the economy. Meanwhile, lesser than expected rise in Caixin manufacturing PMI data would likely to check its upside. Furthermore, strong dollar and contraction in manufacturing activities in Europe would limit its upside
- MCX Copper January is expected to find the floor near 788 and rebound towards 800. Only move below 788 it would turn weaker towards 784.
- Aluminum is expected to find the floor near 240 and move towards 244. MCX Zinc is expected to face the hurdle near 20 day EMA at 283 and move lower towards 278. Below 278 it would open the doors towards 277.

MCX Crude Oil vs. Natural Gas



Energy Outlook

- NYMEX Crude oil is likely to extend its rally towards \$73 amid improved demand and depleting inventory levels in US. Supply concerns amid heightened tension between Russia and Ukraine would also provide support to oil prices. Further, forecast of drawdown in the weekly EIA inventory data could also help oil prices to stay elevated.
- On the data front, addition of OI in OTM put strikes indicates strong support near 6000. At same time closer of OI in ATM calls indicates price recovery. In NYMEX, next major hurdle is seen near \$75 as higher OI concentration on the call side observed at 75 call strike. MCX Crude oil January is likely to hold the support near 6050 and move towards 6300. Above 6300 it would open the doors towards 6380.
- MCX Natural gas January future is expected to hold the support near 300 and rebound towards 330. Only a move below 300, it would bring more correction in price towards 290.

Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	76558	76725	76828	76995	77098
Silver	86958	87268	87470	87780	87982
Copper	787.8	790.8	792.6	795.7	797.5
Aluminium	241.0	241.4	241.8	242.2	242.6
Zinc	276.7	278.2	279.1	280.6	281.5
Lead	176.8	177.2	177.6	178.0	178.3
Crude Oil	6141	6153	6161	6173	6181
Nat Gas	301	308	312	319	323

Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	85.58	85.71	85.82	85.95	86.05
US\$INR (Feb)	85.93	85.99	86.03	86.09	86.13
EURINR (Jan)	88.89	88.99	89.11	89.21	89.33
EURINR (Feb)	90.85	90.21	90.85	90.21	90.85
GBPINR (Jan)	107.14	107.36	107.56	107.78	107.98
GBPINR (Feb)	108.23	108.18	108.23	108.18	108.23
JPYINR (Jan)	54.80	54.83	54.88	54.91	54.95
JPYINR (Feb)	56.37	55.75	56.37	55.75	56.37

Key Parameters

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.49	108.13	0.33%
US\$INR	85.65	85.61	0.05%
EURUSD	1.0356	1.0354	0.02%
EURINR	88.70	89.20	-0.56%
GBPUSD	1.2517	1.2516	0.01%
GBPINR	107.13	107.49	-0.33%

10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	6.781	6.760	0.02
US	4.569	4.533	0.04
Germany	2.367	2.367	0.00
UK	4.568	4.611	-0.04
Japan	1.101	1.101	0.00

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	271400	0	0.00%
Aluminium	639150	-4500	-0.70%
Zinc	234900	-2975	-1.25%
Lead	243725	-2150	-0.87%
Nickel	160536	-1194	-0.74%

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	2.80%	2.60%	2.40%	Medium
8:15 PM	US	Chicago PMI	36.9	42.7	40.2	Medium
8:30 PM	US	Pending Home Sales m/m	2.20%	0.90%	2%	Medium
Tuesday, December 31, 2024						
7:00 AM	China	Manufacturing PMI	50.1	50.3	50.3	High
7:00 AM	China	Non-Manufacturing PMI	52.2	50.2	50	High
7:30 PM	US	S&P/CS Composite-20 HPI y/y	4.20%	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	50.5	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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