

21-OCTOBER-2024



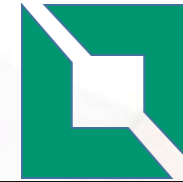
COMMODITY WEEKLY REPORT

UPCOMING KEY ECONOMIC EVENTS

Date	Event	Measure	Previous Value	Indication	Impact on Commodities
Monday, Oct 21	CNY: 1-y Loan Prime Rate	Percent	3.35%	Interest rate at which commercial banks lend to households and business	Lower rates can stimulate economic growth, increasing demand for industrial commodities.
Monday, Oct 21	CNY: 5-y Loan Prime Rate	Percent	3.65%	Interest rate applied by commercial banks for mortgage loans	Lower mortgage rates boost construction, driving up demand for metals like steel and copper.
Monday, Oct 21	IMF Meetings				
Tuesday, Oct 22	BRICS Summit				
Tuesday, Oct 22	USA: FOMC Member Harker Speaks				
Tuesday, Oct 22	USA: Richmond Manufacturing Index	Index	-21	Level of a composite index based on surveyed manufacturers in Richmond	Weak manufacturing reduces demand for industrial metals and energy.
Wednesday, Oct 23	EUR: ECB President Lagarde Speaks				
Wednesday, Oct 23	EUR: Consumer Confidence	Index	-13	Level of a diffusion index based on surveyed consumers	Low confidence may reduce demand for consumer-related commodities.
Wednesday, Oct 23	USA: Existing Home Sales	Index	3.86M	Annualized number of residential buildings that were sold during the previous month, excluding new construction	Strong home sales drive demand for construction materials like lumber and copper.
Thursday, Oct 24	EUR: French Flash Manufacturing PMI	Index	44.6	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Manufacturing growth supports industrial commodity demand.
Thursday, Oct 24	EUR: French Flash Services PMI	Index	49.6	Level of a diffusion index based on surveyed purchasing managers in the services industry	Growth in services can indirectly support commodity demand through economic expansion.



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Thursday, Oct 24	EUR: German Flash Manufacturing PMI	Index	40.6	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Weak manufacturing could lower demand for industrial metals.
Thursday, Oct 24	EUR: German Flash Services PMI	Index	50.6	Level of a diffusion index based on surveyed purchasing managers in the services industry	Growth in services could support economic demand, indirectly affecting commodities.
Thursday, Oct 24	EUR: Flash Manufacturing PMI	Index	45.0	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Weak manufacturing output may lower demand for metals and energy.
Thursday, Oct 24	EUR: Flash Services PMI	Index	51.4	Level of a diffusion index based on surveyed purchasing managers in the services industry	Growth in services could slightly boost overall economic growth, supporting commodity demand
Thursday, Oct 24	USA: Unemployment Claims	Index	241K	The number of individuals who filed for unemployment insurance for the first time during the past week	Lower unemployment could boost economic growth, increasing demand for commodities.
Thursday, Oct 24	USA: Flash Manufacturing PMI	Index	47.3	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Strong manufacturing boosts demand for industrial commodities like metals.
Thursday, Oct 24	USA: Flash Services PMI	Index	55.2	Level of a diffusion index based on surveyed purchasing managers in the services industry	Growth in the services sector could enhance overall economic activity, indirectly benefiting commodities.
Friday, Oct 25	USA: Revised UoM Consumer Sentiment	Index	68.9	Level of a composite index based on surveyed consumers	Higher consumer confidence can lead to increased consumption, supporting commodity prices.
Friday, Oct 25	USA: Revised UoM Inflation Expectations	Percent	2.9%	Percentage that consumers expect the price of goods and services to change during the next 12 months	Higher inflation expectations could lead to higher commodity prices, especially gold and oil.

COMMODITY OVERVIEW

GOLD11+SILVER11, 1W, MCX O167,490 H173,360 L165,471 C173,151 +5,154 (+3.07%) Vol135.979K
Vol (50) 135.979K



Bullion overview:

Gold prices hit a record high on Friday, benefiting from safe haven demand with just weeks left to a closely contested U.S. presidential election, while an interest rate cut by the European Central Bank also helped. Bullion prices broke out of a tight trading range seen in the past two weeks, hitting new peaks as the U.S. election approached. Recent polls showed Vice President Kamala Harris and former president Donald Trump set for a tight presidential race, with less than three weeks left to the ballot. The disparity in the stances of both candidates spurred increased uncertainty over what the results of the election will entail. While media polls showed Harris with a small lead over Trump, prediction and betting markets largely leaned towards a Trump victory, sparking more uncertainty over the potential outcome. Gold was also favored by safe haven demand as the Middle East conflict raged on. Traders were bracing for Israel's retaliation against Iran over an early-October attack. The price of gold is expected to driving higher over the next 6 to 12 months due to declining interest rates and "strong" central bank purchases of the yellow metal.

Technical levels:

After two weeks of range-bound trading, gold prices have resumed its uptrend and trading above 77000 mark in MCX. In the Comex division, gold prices are continue trading in upward channel with high buying momentum. However, Gold has resistance at \$2780—\$2800 levels, where uptrend may pause for the short period. The MACD on the weekly chart, is continue showing strong buying momentum. And, RSI is trading above 78 levels, which indicates that uptrend may continue and buying can be initiated on small prices correction.

The silver prices gained in the previous week and closed above the resistance of \$32.50. Silver has formed a hammer candle followed by a green candle on weekly chart, which indicates that bullish momentum may continue this week. The momentum indicators are also indicating a bullish trend in the upcoming days. Silver in MCX has an immediate support at 92000 and resistance at 97000.

COMMODITY OVERVIEW

CRUDEOIL11+NATURALGAS11, 1W, MCX O6,513 H6,520 L5,962 C6,046 -540 (-8.20%) Vol649.162K
Vol (50) 649.162K



Energy pack overview :

Oil futures fell on Friday, declining more than 7% on the week after data showed China's economic growth slowed and investors digested a mixed Middle East outlook. Brent settled more than 7% lower this week, while WTI lost around 8%, marking their biggest weekly declines since Sept. 2, when OPEC and the International Energy Agency cut their forecasts for global oil demand in 2024 and 2025. In China, the world's top oil importer, the economy grew at the slowest pace since early 2023 in the third quarter, though September consumption and industrial output beat forecasts. China's refinery output declined for the sixth straight month as thin refining margins and weak fuel consumption curbed processing. There are various factors at play here, economic weakness in China but also the move towards the electrification of transport. Electric vehicle sales in China jumped 42% in August and reached a record high of over one million vehicles.

Technical levels:

The NYMEX futures crude oil prices given up almost all the gain of previous two weeks and have closed below the lower trading range of \$69. The prices are once again trading in the previously established wide trading range of \$80 to \$69. However, a crucial support is seen at \$66, below this level selling pressure may get momentum towards \$58. In MCX crude oil, crucial support is seen at 5600. Crude oil prices are trading below 200-SMA on weekly time frame which may put pressure on the prices. Any rise in prices could be a selling opportunity in crude oil this week.

The natural gas prices are down for three consecutive week and prices have established a wide trading range of 250 to 170 in MCX. The RSI and MACD are indicating that sell on rise could be good trading strategy for this week. However, a demand zone is seen at 185—175 levels, where prices may get support.

COMMODITY OVERVIEW

COPPER11+ALUMINIUM11+ZINC11, 1W, MCX O1,364.65 H1,367.65 L1,320.60 C1,346.15 -23.75 (-1.73%) Vol78.966K
Vol (50) 78.966 K



Base metals overview:

US September retail sales month-on-month recorded 0.4%, slightly above expectations; initial jobless claims for the week ending October 12 recorded 241,000, below the expected 260,000. The data reinforced expectations that the US Fed will cut interest rates at a slower pace over the next year and a half, pushing the US dollar index higher and putting pressure on copper prices. recent market spot transactions have been dominated by imported non-registered sources. Although copper prices rebounded during the day, downstream purchasing interest remained average, with bargain down purchasing prices. Some traders had to lower prices to ensure transactions, but overall, both traders and downstream activity levels were low, and market trading was sluggish. According to SMM data, as of Thursday, October 17, SMM copper inventories in major regions across China increased by 9,000 mt to 229,000 mt compared to Tuesday, and by 64,000 mt compared to pre-holiday levels, marking the largest inventory buildup in recent years over the two weeks post-holiday.

Technical levels:

The October futures copper prices have fallen for three consecutive week and prices are taking support on 200 DMA. However, buying momentum for this week may continue to weak and a range-bound to the downside move is expected in prices. The prices may get support at 810 to 800 levels.

The October futures zinc has inside candle last week and prices have formed pin bar for two consecutive week which indicates a strength in the prices. An accumulation activity in the previous week may push the prices higher in the coming days.

The aluminums prices have traded range-bound last week and may continue to remain in a range of 230 to 245 this week. Where, 233 to 230 will act as demand zone.



COMMODITY DERIVATIVES READING



MCX Gold:

The CBOE gold volatility index consistently remained at 17% last week which supported the uptrend. At the same time, implied volatility in the Comex division remained near 15% for the November option contracts. The moderate increase in call option's implied volatility (IV) has been observed while IV of puts remained neutral which indicates that traders may book some profit this week. November gold option's put/call ratio has increased to 3.4 while it was at 2.0 in the prior week indicating that bullish momentum may continue this week.

MCX Silver:

The nearest strike price in silver with a high OI is 95,000 puts and 100,000 calls. While PCR increased to 0.98 from 0.84, compare to last week, which indicates about a bullish trend. In Comex futures silver, the implied volatility (IV) of ITM puts has increased slightly this week. The data indicates that the trend may remain upside this week.

MCX Crude Oil:

The October futures crude oil options contract has a high OI at 6000 calls and 5700 puts. The CBOE crude oil volatility index fell to 46% after rising to 53% in the previous week. The PCR fell to 0.5 last week from 1.3 which is favorable for bearish trend. The IV of put options has increased moderately, which indicates that prices may continue the downside move this week.

MCX Natural Gas:

The implied volatility of in-the-money calls has increased sharply last week in NYMEX natural gas futures. While, the PCR in MCX fell to 0.44 last week from 0.55, which indicates that the prices may remain range-bound this week. Natural gas has a high OI at 200 calls and 180 puts in MCX.

WEEKLY PIVOT LEVELS

PAIR	R3	R2	R1	P	S1	S2	S3
GOLD	80543	79191	78470	77118	76397	75045	74324
SILVER	103196	99359	97380	93543	91564	87727	85748
CRUDEOIL	6707	6504	6179	5976	5651	5448	5123
NATURAL GAS	239.9	229.8	210.3	200.2	180.7	170.6	151.1
ALUMINIUM	251.9	246.8	242.9	237.8	233.9	228.8	224.9
ZINC	298.6	292.7	288.8	283.0	279.1	273.2	269.3
COPPER	867.8	853.4	837.8	823.4	807.8	793.4	777.8

COMMODITY OVERVIEW

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