

28-OCTOBER-2024



COMMODITY WEEKLY REPORT



UPCOMING KEY ECONOMIC EVENTS



Date	Event	Measure	Previous Value	Indication	Impact on Commodities
Monday, October 28	CNY: CB Leading Index m/m	Percent	-0.2%	Change in the level of a composite index based on 8 economic indicators	Positive for Gold & Silver
Tuesday, October 29	USA: CB Consumer Confidence	Index	98.7	Level of a composite index based on surveyed households	Negative for Gold & Silver
Tuesday, October 29	USA: JOLTS Job Openings	Index	8.04M	Number of job openings during the reported month, excluding the farming industry	Negative for Gold & Silver
Tuesday, October 29	USA: S&P/CS Composite-20 HPI y/y	Percent	5.9%	Change in the selling price of single-family homes in 20 metropolitan areas	Negative for Gold & Silver
Wednesday, October 30	EUR: German Prelim CPI m/m	Percent	0.0%	Change in the price of goods and services purchased by consumers	Positive for Gold & Silver
Wednesday, October 30	EUR: Spanish Flash CPI y/y	Percent	1.5%	Change in the price of goods and services purchased by consumers	Neutral to slightly positive
Wednesday, October 30	USA: ADP Non-Farm Employment Change	Index	143K	Estimated change in the number of employed people during the previous month, excluding the farming industry and government	Positive for Gold & Silver
Wednesday, October 30	USA: Advance GDP q/q	Percent	3.0%	Annualized change in the inflation-adjusted value of all goods and services produced by the economy	Negative for Gold & Silver
Wednesday, October 30	USA: Advance GDP Price Index q/q	Percent	2.5%	Annualized change in the price of all goods and services included in GDP	Positive for Gold & Silver
Wednesday, October 30	USA: Pending Home Sales m/m	Percent	0.6%	Change in the number of homes under contract to be sold but still awaiting the closing transaction, excluding new construction	Negative for Gold & Silver
Thursday, October 31	CNY: Manufacturing PMI	Index	49.8	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Positive for Gold & Silver



UPCOMING KEY ECONOMIC EVENTS



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Thursday, October 31	CNY: Non-Manufacturing PMI	Index	50.0	Level of a diffusion index based on surveyed purchasing managers in the services industry	Neutral for Gold & Silver
Thursday, October 31	EUR: Core CPI Flash Estimate y/y	Percent	2.7%	Change in the price of goods and services purchased by consumers, excluding food, energy, alcohol, and tobacco	Positive for Gold & Silver
Thursday, October 31	EUR: CPI Flash Estimate y/y	Percent	1.7%	Change in the price of goods and services purchased by consumers	Positive for Gold & Silver
Thursday, October 31	USA: Core PCE Price Index m/m	Percent	0.1%	Change in the price of goods and services purchased by consumers, excluding food and energy	Negative for Gold & Silver
Thursday, October 31	USA: Employment Cost Index q/q	Percent	0.9%	Change in the price businesses and the government pay for civilian labor	Positive for Gold & Silver
Thursday, October 31	USA: Unemployment Claims	Index	227K	The number of individuals who filed for unemployment insurance for the first time during the past week	Positive for Gold & Silver
Friday , NOV 01	USA: Average Hourly Earnings m/m	Percent	0.4%	This is the earliest data related to labor inflation. Source changed series calculation formula as of Feb 2010	Positive for Gold & Silver
Friday , NOV 01	USA: Non-Farm Employment Change	Index	254K	Change in the number of employed people during the previous month, excluding the farming industry	Negative for Gold & Silver
Friday , NOV 01	USA: Unemployment Rate	Percent	4.1%	Percentage of the total work force that is unemployed and actively seeking employment during the previous month	Neutral to Negative for Gold & Silver
Friday , NOV 01	USA: ISM Manufacturing PMI	Index	47.2	Level of a diffusion index based on surveyed purchasing managers in the manufacturing industry	Positive for Gold & Silver

COMMODITY OVERVIEW

GOLD1!+SILVER1!, 1W, MCX O175,267 H179,000 L173,456 C175,666 +2,515 (+1.45%) Vol144.918K
Vol (50) 144.918K



Technical levels:

Gold prices remained up for two consecutive weeks and crossed 78000 mark in MCX, however prices retreated and a mild profit booking were seen in the weekend. In the Comex division, gold prices have maintained uptrend and continue trading in upward channel with high buying momentum. However, the resistance of \$2780 has paused the rally for the short period but a correction could be a buying opportunity. The MACD on the weekly chart, is continue showing strong buying momentum. And, RSI is trading above 79 levels, which indicates that uptrend may continue this week.

The silver prices remained up in the previous week but retreated from \$35 and have formed a shooting star on weekly chart. However, the strong buying momentum may keep the downside limited and prices may rebound from the demand zone, which is placed near \$32. The momentum indicators are still indicates that an uptrend may continue this week. Silver in MCX has an immediate support at 92000 and resistance at 100000.

Bullion overview:

Gold prices fell slightly in Asian trade on Friday, remaining in sight of record highs hit earlier this week as anticipation of a tight U.S. presidential election kept traders biased towards safe havens. While the yellow metal did notch new highs, it struggled to hold its peaks amid pressure from a stronger dollar and higher Treasury yields. Still, gold was set for mild weekly gains in its third consecutive week of gains. Safe haven demand was also boosted by persistent concerns over worsening geopolitical conditions in the Middle East. Safe haven demand for gold was buoyed by uncertainty over the U.S. election, with less than two weeks left to the ballot. Increased tensions in the Middle East also dented risk appetite, after Israel presented a harsh rhetoric against Iran this week. Markets are awaiting a retaliatory strike by Israel against Tehran over an early-October attack. A particular point of concern is that Israel will attack Iran's oil and nuclear facilities, which could mark a dire escalation in the conflict. The conflict between Israel and Hamas and Hezbollah also showed little signs of de escalation, despite persistent U.S. attempts to broker peace.

COMMODITY OVERVIEW

CRUDEOIL1!+NATURALGAS1!, 1W, MCX O6,048 H6,305 L6,019 C6,255 +209 (+3.46%) Vol608.682K
Vol (50) 608.682K



Technical levels:

The NYMEX futures crude oil prices gained slightly in the previous week and may continue the small recovery towards the upper trading range. The prices are trading in the previously established wide trading range of \$80 to \$65. However, a crucial support is seen at \$66, below this level selling pressure may get momentum towards \$58 again. In MCX crude oil, crucial support is seen at 5670. The prices may remain in the range of 6300 to 5800 this week, and traders should be cautious near the resistance of 6300.

The November futures natural gas prices have gained the ground last week and have formed a bullish engulfing candle pattern on weekly chart. The prices have established a trading range of 230 to 290 in MCX, and prices may continue the upside move towards 280 levels. The RSI and MACD are supporting the prices for this week.

Energy pack overview :

Oil prices settled higher Friday, wrapping up a positive week as persistent concerns over the Middle East conflict kept a risk premium in play. A bigger recovery in crude was held back by data showing a bigger-than-expected build in U.S. inventories, indicating less tight supplies in the world's biggest fuel consumer. A strong dollar also weighed on crude as continued concerns over a slower pace of interest rate cuts by the Federal Reserve kept traders biased towards the greenback. Oil prices were trading off weekly highs as speculation over the Middle East conflict sparked some volatility in markets. While Israel presented a harsh rhetoric against Iran this week, U.S. officials kept up their efforts to broker a ceasefire, especially before the 2024 presidential elections, which could alter future U.S. policy in the Middle East. Israel has vowed to attack Iran over an early-October strike, which kept traders on edge over an escalation in the conflict that could potentially disrupt supplies from the Middle East. The number of oil rigs operating in the U.S. fell by 2 to 480, according to Baker Hughes.

COMMODITY OVERVIEW

COPPER11+ALUMINIUM11+ZINC11, 1W, MCX O1,356.00 H1,376.45 L1,314.25 C1,367.65 +21.50 (+1.60%) Vol69.778K
Vol (50) 69.778K



Technical levels:

The November futures copper prices remained down last week and trading at the support of 100 DMA. However, weak buying momentum may keep the prices range-bound this week, where a price range of 830 to 860 is expected this week.

The November futures zinc has formed a shooting star candle on weekly chart. However, strong buying momentum may keep the profit booking limited and buying can be initiated near the support levels of 280.

The aluminum prices are trading range-bound for a month and have formed a bullish rectangle prices pattern on the daily chart, which may take the prices towards 255 levels in the coming days. While, it has an immediate support at 236--232.

Base metals overview:

U.S. imports of copper have surged after traders capitalized on a rare arbitrage window that opened between the CME and the London Metal Exchange (LME) contracts at the height of the squeeze on CME short position holders. The result has been a redistribution of global exchange inventory with CME stocks rebuilding from depleted levels and both LME and Shanghai Futures Exchange (ShFE) inventory falling. It remains to be seen how long this global readjustment lasts but resilient demand and domestic production constraints have the potential to suck more metal into the United States. The United States imported an average of 57,700 metric tons per month of refined copper in the first half of 2024. Inbound shipments then jumped to 106,400 tons and 117,500 tons in July and August respectively, according to LSEG Group trade data. The main source of the extra metal was Chile. U.S. imports from the South American country accelerated from an average 39,600 tons per month in January-June to 78,200 tons in July and 89,800 tons in August.



COMMODITY DERIVATIVES READING



MCX Gold:

The CBOE gold volatility index rose slightly at 18% last week ahead of key events. At the same time, implied volatility in the Comex division remained near 16.6% for the November option contracts. The moderate increase in put option's implied volatility (IV) has been increased slightly while IV of calls remained neutral which indicates that trend may remain range-bound this week. November gold option's put/call ratio has declined slightly to 3.0 from 3.4.

MCX Silver:

The nearest strike price in silver with a high OI is 90,000 puts and 100,000 calls. While PCR increased to 1.0 from 0.98, compare to last week, which indicates that a range-bound to the upside move is expected this week. In Comex futures silver, the implied volatility (IV) of call options has increased slightly this week. The data indicates that the trend may remain range-bound this week.

MCX Crude Oil:

The November futures crude oil options contract has a high OI at 6300 calls and 5800 puts. The CBOE crude oil volatility index remained flat to 46% after rising to 50% in the previous week. The PCR rose to 1.0 last week from 0.5 which is favorable for an upside move. The IV of ITM put options has increased sharply, which indicates that prices may remain upside this week.

MCX Natural Gas:

The implied volatility of calls options has increased consistently last week in NYMEX natural gas futures. While, the PCR in MCX rose to 1.6 last week from 0.44, which indicates that the prices may remain upside this week. Natural gas has a high OI at 270 calls and 220 puts in MCX.

WEEKLY PIVOT LEVELS

PAIR	R3	R2	R1	P	S1	S2	S3
GOLD	80402	79661	79096	78355	77790	77049	76484
SILVER	104064	102073	99603	97612	95142	93151	90681
CRUDEOIL	6410	6253	6146	5989	5882	5725	5618
NATURAL GAS	253.3	234.9	224.8	206.4	196.3	177.9	167.8
ALUMINIUM	254.4	249.4	246.5	241.5	238.6	233.6	230.7
ZINC	315.1	307.7	297.5	290.1	279.9	272.5	262.3
COPPER	913.6	878.0	857.4	821.8	801.2	765.6	745.0

COMMODITY OVERVIEW

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