

Bullion

Gold prices surged over 1% on Thursday as fresh Labor Department data revealed a higher-than-expected increase in Americans filing new unemployment claims last week, fueling expectations for a Federal Reserve rate cut.

With initial claims rising by 22,000 to 231,000, concerns over a slight weakening in the job market grew, increasing speculation for earlier Fed interest-rate cuts.

Lower rates diminish the opportunity cost of holding gold, with traders now pricing in a 67% chance of a rate cut in September. Looking forward, focus will shift to consumer price index data set to be released next week.

Silver

On Thursday, spot silver ended 3.64 percent higher, closing at \$28.3 per ounce whereas MCX Silver ended 1.81 percent higher at Rs.84499/kg.

Outlook

Gold is poised to maintain its upward trajectory as concerns over the job market and expectations of a Federal Reserve rate cut continue to bolster its appeal.

Technical Outlook

valid on 10th May 2024

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX MAY'24	17880	18030	18440	18610
GOLD - JUN'24	70810	71130	72070	72430
SPOT GOLD	2332	2343	2374	2386
SILVER - JUL'24	82780	83530	85470	86220
SPOT SILVER	18.800	20.000	29.000	30.300

Market Highlights (% change)

as on 09th May 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	83.4	-0.03	0.08	-0.01	1.56
Euro/\$ (Spot)	89.9	0.30	0.28	1.03	0.99
Dollar Index	105.2	-0.30	0.19	-0.94	2.65
NIFTY	21957.5	-1.55	-2.31	-2.86	26.49
SENSEX	72404.2	-1.45	-2.00	-2.79	22.74

Source: Refinitiv

Market Highlights Gold (% change)

as on 09th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2345.9	1.61	1.93	2.64	19.21
Gold (Spot - Mumbai)	72550.0	-0.55	-0.81	0.07	21.32
Comex	2332.1	0.80	1.44	1.78	18.44
MCX Gold	71639.0	0.72	1.37	1.74	20.60
MCX BULLDEX	18238	0.91	2.20	2.36	#N/A

(Comex, Gold spot in \$ per ounce, MCX, Gold spot Mumbai in Rs/10 gms) Source: Refinitiv

Market Highlights Silver (% change)

as on 09th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	28.3	3.64	6.76	7.82	17.70
Silver (Spot - Mumbai)	81320.0	17.18	0.27	1.14	9.89
Comex	28.1	2.82	6.38	6.60	16.85
MCX Silver	84499.0	1.81	6.01	6.28	17.01

(Comex in \$ per ounce, MCX, Silver spot in Rs/kg)

Source: Refinitiv

Energy

Crude Oil

Oil prices reached a one-week high on Thursday fueled by optimistic demand signals from China and the U.S., the world's top two oil consumers.

However, gains were tempered by weak U.S. energy data revealing subdued gasoline and diesel demand, indicative of ongoing pandemic-related challenges.

Despite this, China saw a surge in crude oil imports and a rebound in exports and imports, suggesting both domestic and international demand are picking up amidst efforts to stabilize the economy.

Meanwhile, in the U.S., a surge in new claims for unemployment benefits underscored concerns about a cooling labor market. Additionally, the Bank of England's steps toward interest rate cuts added further complexity to the market outlook.

Outlook

Crude prices are likely to remain higher, given the robust demand signals from China and the U.S.

Technical Outlook

valid on 10th May 2024

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX ENERGY MAY'24	5560	5630	5810	5890
MCX CRUDE MAY'24 (RS/BBL)	6470	6540	6680	6740
WTI CRUDE OIL (\$/BBL)	76.50	79.00	80.70	82.50
BRENT CRUDE OIL (\$/BBL)	81.00	81.70	85.30	87.60
MCX NATURAL GAS MAY'24	180	185	197	201

Market Highlight Crude Oil (% change) as on 09th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	84.4	1.00	-0.38	-5.54	6.20
NYMEX CRUDE	79.3	0.34	1.47	-3.26	4.74
ICE BRENT CRUDE	83.9	0.36	1.11	-4.53	5.15
MCX CRUDE	6606.0	0.29	0.92	-3.39	6.57

(Brent & NYMEX Crude in \$ per bbl, MCX Crude in Rs/bbl)

Source: Refinitiv

Market Highlight Natural Gas (% change) as on 09th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.3	5.21	7.42	15.57	3.84
MCX NG	211.3	2.47	4.71	9.14	3.43

(NYMEX NG in \$/MMBtu, MCX NG in Rs/MMBtu)

Source: Refinitiv

Base Metals

Copper prices strengthened on Thursday as the U.S. dollar softened amid subdued labor data and persistent bullish sentiment among investors.

Despite near-record prices, key consumers such as copper wire and cable manufacturers in China exhibited caution, resulting in copper inventory levels at a four-year high in ShFe-monitored warehouses.

Mixed signals in U.S. economic recovery were evident, with a higher-than-expected increase in new unemployment benefit claims reigniting expectations for interest rate cuts and further weakening the dollar.

This potential scenario would likely drive demand for greenback-priced metals as they become more affordable for holders of other currencies.

Outlook

Copper prices are likely to remain higher, amidst a softer dollar and hopes of a interest rate cut by the US Fed.

Technical Outlook

valid on 10th May 2024

Base metals (Rs/Kg)	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCXMETLDEX MAY'24	17190	17390	17660	17810
LME COPPER (\$/TONNE)	9880	9940	10150	10320
COPPER MAY'24	846.50	852.60	867.40	871.70
ZINC MAY'24	253.10	255.80	262.20	264.70
LEAD MAY'24	189.60	191.60	196.40	197.80
ALUMINIUM MAY'24	229.20	231.40	236.60	238.10

Market Highlights Base Metals (% change) as on 09th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	9904.5	0.01	-0.06	-0.87	10.14
MCX COPPER	859.9	0.57	0.53	-0.38	9.54
LME ALUMINIUM (3 MONTH)	2561.5	0.49	0.39	-1.16	6.15
MCX ALUMINIUM	234.3	0.82	0.41	-3.20	13.60
LME NICKEL (3 MONTH)	19033.0	0.78	-1.06	-1.07	-20.16
MCX NICKEL	1597.2	-1.14	0.32	-1.97	-20.93
LME LEAD (3 MONTH)	2233.5	0.20	0.84	0.74	6.00
MCX LEAD	194.0	0.23	1.28	2.08	7.45
LME ZINC (3 MONTH)	2909.5	0.14	0.22	-0.56	-0.44
MCX ZINC	258.8	0.23	0.39	0.35	1.87

(LME IN \$/Tonne, MCX in Rs/kg)

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	09/05/24	08/05/24	CHG	%CHG
COPPER	104375	106000	-1625	-1.53%
ALUMINIUM	479850	482600	-2750	-0.57%
NICKEL	80004	79872	132	0.17%
ZINC	252125	252750	-625	-0.25%
LEAD	240875	246850	-5975	-2.42%

Source: Refinitiv

Economic Indicator to be released on 10-May-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
GDP m/m	UK	11:30pm	-	0.1%	0.1%	High
Prelim GDP q/q	UK	11:30pm	-	0.4%	-0.3%	Medium
Prelim UoM Consumer Sentiment	US	7:30pm	-	76.3	77.2	High
Prelim UoM Inflation Expectations	US	7:30pm	-	-	3.2%	Medium

Research Team

Prathamesh Mallya

DVP Research (Non-Agro Commodities & Currency)

prathamesh.mallya@angelbroking.com

Boardline: 022-39357600

Saish Sawant Dessai

Research Associate

saish.sdessai@angelbroking.com

Boardline: 022-39357600

Angel One Ltd.

Registered Office: G-1, Ackruti Trade Centre, Rd. No. 7, MIDC, Andheri (E), Mumbai - 400 093.

Corporate Office: 6th Floor, Ackruti Star, MIDC, Andheri (E), Mumbai - 400 093. Tel: 080-47480048

MCX Member ID: 12685 / FMC Regn No: MCX / TCM / CORP / 0037 NCDEX: Member ID 00220 / FMC Regn No: NCDEX / TCM / CORP / 0302

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. The document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from "Angel One Ltd". Your feedback is appreciated on advisory@angelbroking.com