

Bullion

Gold prices surged this week, poised for their strongest performance since early April, buoyed by weak U.S. employment figures, which fueled expectations of Federal Reserve interest rate cuts this year.

Despite a modest uptick in the dollar, gold's ascent was propelled by higher-than-anticipated new unemployment claims, prompting market speculation about a Fed rate reduction.

However, concerns about the timing of monetary easing lingered, especially with the European Central Bank potentially cutting rates in June.

Meanwhile, China's central bank continued its gold accumulation streak for the 18th straight month, further reinforcing reserves.

With CME's FedWatch Tool signaling a 66% probability of rate cuts in September and ongoing Middle Eastern tensions, exemplified by Israel's military operations in Rafah, gold's appeal remains robust amidst market uncertainties.

Silver

On Friday, spot silver ended 0.66 percent lower, closing at \$28.1 per ounce whereas MCX Silver ended 0.49 percent higher at Rs.84910/kg.

Outlook

Gold prices are expected to remain buoyant today amid ongoing market uncertainties and anticipation of potential Federal Reserve interest rate cuts.

Technical Outlook

valid on 13th May 2024

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX MAY'24	18020	18200	18700	18910
GOLD - JUN'24	71720	72110	73250	73680
SPOT GOLD	2334	2347	2384	2398
SILVER - JUL'24	83190	83940	85880	86630
SPOT SILVER	18.800	20.000	28.800	30.100

Market Highlights (% change)

as on 10th May 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	83.5	0.12	0.20	0.11	1.68
Euro/\$ (Spot)	89.9	0.01	0.29	1.04	1.00
Dollar Index	105.3	0.07	0.26	-0.87	2.73
NIFTY	22055.2	0.44	-1.87	-2.43	27.05
SENSEX	72664.5	0.36	-1.64	-2.44	23.18

Source: Refinitiv

Market Highlights Gold (% change)

as on 10th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2360.1	0.61	2.55	3.26	19.93
Gold (Spot - Mumbai)	72650.0	0.14	-0.67	0.21	21.49
Comex	2367.3	1.51	2.97	3.31	20.23
MCX Gold	72727.0	1.52	2.91	3.28	22.43
MCX BULLDEX	18448	1.15	3.37	3.54	#N/A

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

Market Highlights Silver (% change)

as on 10th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	28.1	-0.66	6.06	7.11	16.93
Silver (Spot - Mumbai)	81450.0	17.36	0.43	1.31	10.07
Comex	28.3	0.51	6.92	7.14	17.44
MCX Silver	84910.0	0.49	6.52	6.79	17.57

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

Source: Refinitiv

Energy

Crude Oil

After a week of notable losses triggered by concerns over weak U.S. employment data and speculation regarding Federal Reserve interest rate adjustments, crude oil prices have sustained their downward trend.

Comments from U.S. central bank officials hinting at prolonged higher interest rates contributed to Friday's decline, despite earlier reaching a one-week high on optimistic demand signals from China and the U.S.

However, the surge in new unemployment claims in the U.S. and the Bank of England's steps towards interest rate cuts added to market uncertainties.

While a decline in U.S. crude inventories offered some upward momentum mid-week, gains were restrained by a stronger dollar and persistent challenges in refinery utilization.

Moreover, hopes for a ceasefire in Gaza and reports of increased U.S. crude inventories further weighed on market sentiment, despite a U.S. government solicitation to purchase oil for the Strategic Petroleum Reserve providing marginal support.

Outlook

Crude oil prices are expected to trade lower today amidst lingering concerns over weak demand signals from major economies and uncertainty surrounding central bank policies.

Technical Outlook

 valid on 13th May 2024

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX ENERGY MAY'24	5620	5690	5870	5950
MCX CRUDE MAY'24 (RS/BBL)	6420	6480	6620	6670
WTI CRUDE OIL (\$/BBL)	75.00	77.40	79.00	81.50
BRENT CRUDE OIL (\$/BBL)	79.50	80.70	83.70	85.60
MCX NATURAL GAS MAY'24	178	183	195	199

Market Highlight Crude Oil (% change) as on 10th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	84.5	0.13	-0.25	-5.42	6.34
NYMEX CRUDE	78.3	-1.26	0.19	-4.48	3.42
ICE BRENT CRUDE	82.8	-1.30	-0.20	-5.77	3.79
MCX CRUDE	6551.0	-0.83	0.08	-4.20	5.68

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

Source: Refinitiv

Market Highlight Natural Gas (% change) as on 10th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.3	-2.13	5.14	13.11	1.62
MCX NG	209.0	-1.09	3.57	7.95	2.30

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

Source: Refinitiv

Base Metals

Despite overall weakness in the base metals sector, copper prices saw a boost on Thursday due to a softened U.S. dollar and ongoing bullish sentiment among investors.

However, caution from key consumers like copper wire and cable manufacturers in China led to a buildup of copper inventory levels at a four-year high in monitored warehouses.

Mixed signals in U.S. economic recovery, including higher-than-expected new unemployment claims, reignited expectations for interest rate cuts, although profit-taking driven by a stronger dollar offset some gains.

Despite this, optimism persists regarding robust demand fueled by the energy transition and technological advancements.

Additionally, recent attention on tight supplies and optimistic expectations for Chinese demand, coupled with market speculation surrounding a potential merger between BHP and Anglo American, continue to influence copper prices.

Outlook

Copper prices are expected to remain volatile today amid mixed signals in global economic recovery and ongoing cautious sentiment from key consumers, particularly in China.

Technical Outlook

valid on 13th May 2024

Base metals (Rs/Kg)	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCXMETLDEX MAY'24	17260	17460	17730	17880
LME COPPER (\$/TONNE)	9940	10000	10210	10380
COPPER MAY'24	855.00	861.80	878.20	883.00
ZINC MAY'24	255.10	257.80	264.20	266.70
LEAD MAY'24	189.60	191.60	196.40	197.80
ALUMINIUM MAY'24	226.20	228.40	233.60	235.10

Market Highlights Base Metals (% change) as on 10th May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	10004.0	1.00	0.95	0.13	11.24
MCX COPPER	869.8	1.15	1.69	0.77	10.80
LME ALUMINIUM (3 MONTH)	2529.5	-1.25	-0.86	-2.39	4.83
MCX ALUMINIUM	230.9	-1.45	-1.05	-4.61	11.95
LME NICKEL (3 MONTH)	18952.0	-0.43	-1.48	-1.49	-20.50
MCX NICKEL	1598.3	0.07	0.39	-1.90	-20.88
LME LEAD (3 MONTH)	2222.5	-0.49	0.34	0.25	5.48
MCX LEAD	194.2	0.10	1.38	2.18	7.56
LME ZINC (3 MONTH)	2930.5	0.72	0.95	0.15	0.27
MCX ZINC	261.3	0.97	1.36	1.32	2.85

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

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	10/05/24	09/05/24	CHG	%CHG
COPPER	103450	104375	-925	-0.89%
ALUMINIUM	903850	479850	424000	88.36%
NICKEL	80286	80004	282	0.35%
ZINC	251950	252125	-175	-0.07%
LEAD	234575	240875	-6300	-2.62%

Source: Refinitiv

Economic Indicator to be released on 13-May-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
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