

## Bullion

Gold prices surged on Tuesday as the dollar and Treasury yields retreated following a report indicating a sharper-than-anticipated rise in U.S. producer prices for April, signaling persistent inflation.

With traders revising expectations for a rate cut, gold, a traditional hedge against inflation, saw renewed interest despite the increased opportunity cost associated with higher interest rates.

Federal Reserve Chair Jerome Powell's remarks about anticipated inflation decline by 2024 and the unlikelihood of further rate hikes added to market sentiment.

Attention now turns to Wednesday's U.S. consumer price data for insights into potential Fed rate adjustments.

## Silver

On Tuesday, spot silver ended 1.42 percent higher, closing at \$28.6 per ounce whereas MCX Silver ended 0.63 percent higher at Rs.85417/kg.

## Outlook

Gold is poised for volatility as market awaits crucial U.S. consumer price figures for insights into future Fed rate decisions.

### Technical Outlook

valid on 15<sup>th</sup> May 2024

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX MAY'24	18010	18170	18610	18790
GOLD - JUN'24	71410	71750	72760	73140
SPOT GOLD	2335	2346	2379	2391
SILVER - JUL'24	84090	84670	86170	86750
SPOT SILVER	18.800	20.000	29.100	30.400

## Market Highlights (% change)

as on 14<sup>th</sup> May 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	83.5	0.03	-0.07	0.04	1.61
Euro/\$ (Spot)	90.3	0.25	0.39	1.43	1.39
Dollar Index	105.0	-0.19	-0.27	-1.14	2.45
NIFTY	22217.9	0.51	0.74	-1.71	27.98
SENSEX	73104.6	0.45	0.61	-1.85	23.92

Source: Refinitiv

## Market Highlights Gold (% change)

as on 14<sup>th</sup> May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2358.0	0.94	-0.09	3.17	19.82
Gold (Spot - Mumbai)	72755.0	-0.49	0.14	0.35	21.66
Comex	2353.4	0.74	-0.59	2.71	19.52
MCX Gold	72297.0	0.62	-0.59	2.67	21.71
MCX BULLDEX	18392	0.46	-0.30	3.23	#N/A

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

## Market Highlights Silver (% change)

as on 14<sup>th</sup> May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	28.6	1.42	1.57	8.79	18.76
Silver (Spot - Mumbai)	87350.0	25.86	7.24	8.64	18.04
Comex	28.5	0.94	0.74	7.93	18.31
MCX Silver	85417.0	0.63	0.60	7.43	18.28

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

Source: Refinitiv

## Energy

### Crude Oil

Oil prices experienced a decline on Tuesday amid concerns over persistent high interest rates following a sharper-than-expected rise in U.S. producer prices for April.

However, tensions in the Middle East and wildfires in Canada provided support, preventing further losses.

The market remains attentive to Wednesday's U.S. consumer price data, which could influence the timing of potential rate cuts impacting economic growth and oil demand.

Meanwhile, the Organization of the Petroleum Exporting Countries (OPEC) maintained its outlook for robust global oil demand, although uncertainties persist amidst ongoing geopolitical tensions and supply disruptions, exemplified by wildfires in Canada affecting a key crude supplier.

### Outlook

Despite initial declines, positive factors including geopolitical tensions, supply disruptions, and OPEC's optimistic demand outlook suggest potential resilience in crude prices for the day.

#### Technical Outlook

valid on 15<sup>th</sup> 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)	6430	6470	6550	6580
WTI CRUDE OIL (\$/BBL)	76.10	78.20	79.10	81.50
BRENT CRUDE OIL (\$/BBL)	80.30	80.70	83.50	85.60
MCX NATURAL GAS MAY'24	188	193	203	207

### Market Highlight Crude Oil (% change) as on 14<sup>th</sup> May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	82.2	-2.59	-2.83	-8.09	3.33
NYMEX CRUDE	78.0	-1.39	-0.31	-4.77	3.11
ICE BRENT CRUDE	82.4	-1.18	-0.50	-6.24	3.27
MCX CRUDE	6512.0	-1.24	-0.60	-4.77	5.05

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

Source: Refinitiv

### Market Highlight Natural Gas (% change) as on 14<sup>th</sup> May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	2.3	-1.55	4.09	17.73	5.78
MCX NG	215.9	0.98	3.30	11.52	5.68

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

Source: Refinitiv

## Base Metals

Copper prices surged to their highest levels since April 2022 driven by increased fund inflows into the base metals sector, despite dampened appetite among Chinese consumers due to elevated prices.

In the U.S., copper futures reached a record high propelled by arbitrage trading and speculative fund buying, despite reports of subdued physical demand in China, the world's top metals consumer.

Fundamentally, bets on potential U.S. interest rate cuts, coupled with supply disruptions and growing demand for metals in green energy initiatives, continue to attract investment into base metals, serving as a hedge against inflation within the broader commodities market.

## Outlook

Copper prices are likely to remain higher amidst strong fund inflows and green energy demand, however, weakened Chinese demand and attention shifting to US interest rates, upside might remain capped.

### Technical Outlook valid on 15<sup>th</sup> May 2024

Base metals (Rs/Kg)	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCXMETLDEX MAY'24	17490	17690	17960	18110
LME COPPER (\$/TONNE)	10060	10120	10330	10500
COPPER MAY'24	868.40	875.50	892.50	897.50
ZINC MAY'24	259.80	261.70	266.30	268.10
LEAD MAY'24	190.60	192.60	197.40	198.80
ALUMINIUM MAY'24	229.20	231.40	236.60	238.10

## Market Highlights Base Metals (% change) as on 14<sup>th</sup> May 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	10114.0	-0.70	1.10	1.23	12.47
MCX COPPER	884.2	0.08	1.66	2.44	12.64
LME ALUMINIUM (3 MONTH)	2551.0	0.35	0.85	-1.56	5.72
MCX ALUMINIUM	234.0	0.54	1.34	-3.33	13.46
LME NICKEL (3 MONTH)	19075.0	-0.81	0.65	-0.85	-19.98
MCX NICKEL	1610.8	-0.15	0.78	-1.14	-20.26
LME LEAD (3 MONTH)	2259.0	0.38	1.64	1.89	7.21
MCX LEAD	195.0	0.05	0.44	2.63	8.03
LME ZINC (3 MONTH)	3003.5	0.20	2.49	2.65	2.77
MCX ZINC	264.0	-0.45	1.03	2.37	3.92

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

Source: Refinitiv

## LME Inventories in tonnes

COMMODITY	14/05/24	13/05/24	CHG	%CHG
COPPER	104750	103100	1650	1.60%
ALUMINIUM	1033625	902550	131075	14.52%
NICKEL	80814	80466	348	0.43%
ZINC	250950	251400	-450	-0.18%
LEAD	226925	230075	-3150	-1.37%

Source: Refinitiv

### Economic Indicator to be released on 15-May-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
Core CPI m/m	US	6:00pm	-	0.3%	0.4%	High
Core Retail Sales m/m	US	6:00pm	-	0.2%	1.1%	High
CPI m/m	US	6:00pm	-	0.4%	0.4%	High
CPI y/y	US	6:00pm	-	3.4%	3.5%	High
Empire State Manufacturing Index	US	6:00pm	-	-9.9	-14.3	High
Retail Sales m/m	US	6:00pm	-	0.4%	0.7%	High

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