

Bullion

In the yesterday's trading session, Gold prices traded lower on a firmer dollar, in thin, holiday-season trade and as investors sought further clues on the U.S. Federal Reserve's monetary policy for next year after its latest meeting signaled easing would be gradual.

The U.S. Federal Reserve lowered interest rates as expected but noted it will slow the pace at which borrowing costs fall any further, boosting the dollar and bond yields. The committee issued fresh projections indicating two quarter-percentage-point rate cuts next year amid rising inflation, a forecast consistent with a wait-and-see approach as President-elect Donald Trump returns to the White House in January.

Powell said Fed policymakers want to see more progress on bringing inflation down as they consider future rate cuts. Futures on the federal funds rate have priced in that the Fed will leave its benchmark overnight rate unchanged at the Jan. 28-29 policy meeting. Higher rates reduce the appeal of holding the non-yielding asset.

Silver

Yesterday, spot silver surged by 0.45 percent, closing at 29.6 per ounce on whereas MCX Silver also surged by 0.82 percent and closed at Rs. 89118 kg on Friday.

Outlook

Today, gold prices are likely to trade in a range bound manner with slight bullish bias as trading volumes remain light prior to Christmas and New Year holidays.

Technical Outlook for 24-Dec-24

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX DEC'24	18210	18460	18850	19060
GOLD - FEB'24	73750	75090	76670	77060
SPOT GOLD	2540	2580	2770	2810
SILVER - MAR'24	87090	88150	90840	91770
SPOT SILVER	28.30	29.70	30.70	31.40

Market Highlights (% change)

 as on 23rd Dec 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	85.1	0.17	0.23	0.85	1.91
Euro/\$ (Spot)	88.5	-0.05	-0.59	-1.56	-1.28
Dollar Index	108.0	0.39	1.01	2.36	2.19
NIFTY	23753.5	0.70	-2.39	-1.61	-1.54
SENSEX	78540.2	0.64	-2.66	-1.20	-1.13

Source: Refinitiv

Market Highlights Gold (% change)

 as on 23rd Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2612.9	-0.30	-1.23	-0.28	12.18
Gold (Spot - Mumbai)	77100.0	0.77	-0.87	-2.02	6.64
Comex	2612.3	-0.62	-1.21	0.04	12.45
MCX Gold	76144.0	-0.36	-0.95	1.05	6.41
MCX BULLDEX	18574	0.16	-0.77	-0.79	#N/A

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

Market Highlights Silver (% change)

 as on 23rd Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	29.6	0.45	-2.91	-3.37	0.46
Silver (Spot - Mumbai)	91350.0	0.81	-1.40	-1.88	-0.27
Comex	29.9	0.77	-2.24	-2.13	1.82
MCX Silver	89118.0	0.82	-1.93	-0.07	1.41

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

Source: Refinitiv

Energy

Crude Oil

Yesterday, the crude prices traded lower on worries about demand growth in 2025, especially in top crude importer China, putting global oil benchmarks on track to end the week down more than 2%. Chinese state-owned refiner Sinopec said in its annual energy outlook that the country's oil consumption would peak by 2027 as diesel and gasoline demand weaken.

The dollar's climb to a two-year high also weighed on oil prices, after the Federal Reserve flagged it would be cautious about cutting interest rates in 2025. A stronger dollar makes oil more expensive for holders of other currencies, while a slower pace of rate cuts could dampen economic growth and trim oil demand.

Outlook

Crude prices are likely to trade higher today buoyed by slightly positive market outlooks for the short term and stronger U.S. economic data, despite thin trade ahead of the Christmas holiday.

Technical Outlook for 24-Dec-24

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX CRUDE JAN'24 (RS/BBL)	5730	5820	6090	6180
WTI CRUDE OIL (\$/BBL)	65.30	67.50	73.50	77.80
BRENT CRUDE OIL (\$/BBL)	67.20	70.00	77.70	80.00
MCX NATURAL GAS DEC'24	289	302	328	339

Market Highlight Crude Oil (% change)

 as on 23rd Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	73.4	-2.29	-2.25	1.21	-18.22
NYMEX CRUDE	69.2	-0.32	-1.20	1.76	-16.39
ICE BRENT CRUDE	72.6	-0.43	-0.77	1.11	-15.78
MCX CRUDE	5901.0	-0.62	-0.49	2.41	-15.08

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

Source: Refinitiv

Market Highlight Natural Gas (% change)

 as on 23rd Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.7	-2.45	10.52	25.21	50.14
MCX NG	283.4	-2.65	11.36	6.66	37.44

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

Source: Refinitiv

Base Metals

Yesterday, base metals traded lower on account of stronger US Dollar Index. The US Fed lowered the Federal Funds target rate by 25 basis points as expected. Meanwhile, the dot plot indicates only two rate cuts are expected in 2025, suggesting a significantly slower pace of rate cuts in the future, with an overall hawkish tone. Fed Chairman Jerome Powell stated at the press conference that although the current policy rate remains restrictive, the Fed will act more cautiously as it approaches a neutral level.

Compared to the Eurozone's accelerated monetary easing under recessionary pressure, the US Fed's 2025 rate curve is gradually flattening. The US dollar index jumped causing yields to rise. On the other hand, China's 2025 economic work priorities have shifted to domestic demand-driven growth, with the annual GDP growth target maintained at 5%.

Outlook

Today, most of the base metals are likely to trade in a range bound manner with a slight bearish bias due to strong dollar, driven by the prospect of higher-for-longer U.S. interest rates, limited their gains.

Technical Outlook for 24-Dec-24

Base metals (Rs/Kg)	SUPPORT		RESISTANCE	
	S2	S1	R1	R2
MCXMETLDEX DEC'24	17040	17150	17770	18050
LME COPPER (\$/TONNE)	8730	8810	9080	9160
COPPER DEC'24	782	790.10	811.90	822.80
ZINC DEC'24	270.10	274.20	283.00	288.70
LEAD DEC'24	170.60	173.60	181.40	185.80
ALUMINIUM DEC'24	231.20	235.40	243.60	249.10

Market Highlights Base Metals (% change) as on 23rd Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	8912.0	-0.32	-0.86	-4.50	-7.86
MCX COPPER	792.5	-0.75	-1.82	-3.51	-6.44
LME ALUMINIUM (3 MONTH)	2527.0	-0.30	-0.61	-2.30	0.18
MCX ALUMINIUM	245.4	1.01	1.22	2.91	6.56
LME NICKEL (3 MONTH)	15292.0	-0.42	-1.36	-5.07	-10.07
MCX NICKEL	1332.5	0.57	-1.60	-4.34	-9.09
LME LEAD (3M)	1986.0	0.30	0.03	-1.78	-9.83
MCX LEAD	175.8	-0.34	-1.62	-3.01	-6.74
LME ZINC (3 MONTH)	2984.5	0.44	-1.68	0.18	2.12
MCX ZINC	277.1	-0.73	-2.26	-0.63	3.94

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

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	23/12/24	20/12/24	CHG	%CHG
COPPER	287425	272325	15100	5.54%
ALUMINIUM	659650	662150	-2500	-0.38%
NICKEL	163068	161436	1632	1.01%
ZINC	251975	254125	-2150	-0.85%
LEAD	250700	252475	-1775	-0.70%

Source: Refinitiv

Economic Indicator to be released on 24-Dec-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
No economic data for today						

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