

Bullion

In the yesterday's trading session, the prices of the yellow metal traded higher driven by safe-haven demand in light trading after the Christmas holiday, as markets awaited signals on the U.S. economy under the incoming Trump administration and the Federal Reserve's interest rate strategy for 2025.

With Trump set to return to the White House in January, U.S. investors are bracing for significant policy shifts in 2025, including higher trade tariffs, deregulation, and tax changes, all of which could have inflationary implications.

While the Fed aggressively cut rates in September, November, and December, it has signaled fewer cuts in 2025 due to stubbornly high inflation. Higher rates increase the opportunity cost of holding non-yielding bullion.

Silver

On Thursday, spot silver rose by 0.63 percent, closing at 29.8 per ounce on whereas MCX Silver also surged by 0.35 percent and closed at Rs. 89636 kg.

Outlook

Today, gold prices are likely to trade in a range bound manner as trading volumes shall remain light as the year-end approaches.

Technical Outlook for 27-Dec-24

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX JAN'24	18210	18460	18950	19160
GOLD - FEB'24	77550	75890	77070	77260
SPOT GOLD	2540	2580	2690	2740
SILVER - MAR'24	87090	88150	90840	91770
SPOT SILVER	28.30	29.70	30.70	31.40

Market Highlights (% change)

 as on 26th Dec 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	85.3	0.09	0.46	1.04	2.08
Euro/\$ (Spot)	88.5	0.01	0.78	-1.20	-1.68
Dollar Index	108.1	-0.07	0.09	1.99	2.59
NIFTY	23750.2	0.10	-1.85	-0.56	-2.21
SENSEX	78472.5	0.00	-2.13	-0.26	-1.89

Source: Refinitiv

Market Highlights Gold (% change)

 as on 26th Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2634.4	0.81	1.81	1.43	11.82
Gold (Spot - Mumbai)	77655.0	0.52	0.01	0.59	7.24
Comex	2638.8	0.72	0.09	1.49	11.82
MCX Gold	76827.0	0.73	0.23	2.57	6.11
MCX BULLDEX	18710	0.87	-0.36	0.31	#N/A

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

Market Highlights Silver (% change)

 as on 26th Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	29.8	0.63	1.48	-2.97	-2.21
Silver (Spot - Mumbai)	91650.0	0.27	-1.11	0.60	0.05
Comex	30.0	0.24	-1.19	-2.08	-1.64
MCX Silver	89636.0	0.35	-0.82	0.35	-0.29

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

Source: Refinitiv

Energy

Crude Oil

Yesterday, the NYMEX Crude traded lower in light holiday trade as the dollar's strength offset hopes for additional fiscal stimulus in China, the world's biggest oil importer.

Chinese authorities have agreed to issue 3 trillion yuan (\$411 billion) worth of special treasury bonds next year, Reuters reported on Tuesday, citing two sources, as Beijing ramps up fiscal stimulus to revive a faltering economy.

The World Bank on Thursday raised its forecast for China's economic growth in 2024 and 2025, but warned that subdued household and business confidence, along with headwinds in the property sector, would keep weighing it down next year.

The U.S. dollar continued to edge up higher after hitting a milestone last week. A stronger dollar makes oil more expensive for holders of other currencies.

The latest weekly report on U.S. inventories, from the American Petroleum Institute industry group, showed crude stocks fell last week by 3.2 million barrels. Traders will be waiting to see if the official inventory report from the Energy Information Administration confirms the decline which is due today.

Outlook

Crude prices are likely to trade higher today in thin holiday trading, driven by hopes for additional fiscal stimulus in China, the world's biggest oil importer, while an anticipated decline in U.S. crude inventories also provided support

Technical Outlook for 27-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	260	269	290	302

Market Highlight Crude Oil (% change)

 as on 26th Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	75.5	2.76	-1.40	3.48	-15.93
NYMEX CRUDE	69.6	-0.68	-1.36	2.20	-17.00
ICE BRENT CRUDE	73.3	-0.43	-0.18	1.91	-16.12
MCX CRUDE	5976.0	-0.07	-0.68	3.46	-14.03

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

Source: Refinitiv

Market Highlight Natural Gas (% change)

 as on 26th Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.7	-5.85	10.11	27.79	53.64
MCX NG	281.9	-5.21	5.90	6.58	36.45

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

Source: Refinitiv

Base Metals

On Thursday, base metals traded higher buoyed by positive macroeconomic news from China. However, a strong dollar index limited the rise.

Recent fiscal meetings in China have introduced proactive fiscal policies, including raising the budget deficit, to support market expectations of a positive increase in demand for metals,

China will raise its budget deficit ratio, intensify fiscal spending and accelerate expenditure in 2025, the finance ministry said on Tuesday. Furthermore, the country plans to boost fiscal support for consumption next year by raising pensions and medical insurance subsidies for residents and expanding trade-ins for consumer goods, according to the finance ministry's announcement.

Meanwhile, the U.S. dollar index surged sharply which exerted some pressure on copper prices. A stronger dollar makes it more expensive for other currency holders to buy greenback-priced commodities, thus keeping metals prices under pressure.

Outlook

Today, most of the base metals are likely to trade in a range bound manner as positive macroeconomic news from China shall provide some support, but a strong dollar index could limit the rise.

Technical Outlook for 27-Dec-24

Base metals (Rs/Kg)	SUPPORT		RESISTANCE	
	S2	S1	R1	R2
MCXMETLDEX JAN'24	17040	17250	17870	18050
LME COPPER (\$/TONNE)	8730	8810	9080	9160
COPPER JAN'24	782	790.10	818.90	826.80
ZINC JAN'24	274.10	278.20	287.00	293.70
LEAD JAN'24	170.60	173.60	181.40	185.80
ALUMINIUM JAN'24	235.20	238.40	245.60	249.10

Market Highlights Base Metals (% change) as on 26th Dec 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	8950.5	0.43	-0.86	-2.09	-9.30
MCX COPPER	799.9	0.61	-1.06	-0.71	-7.35
LME ALUMINIUM (3 MONTH)	2565.0	1.50	1.44	0.08	0.67
MCX ALUMINIUM	253.1	1.06	4.54	6.73	8.44
LME NICKEL (3 MONTH)	15477.0	1.21	-0.20	-2.64	-10.66
MCX NICKEL	1336.1	0.00	-0.29	-2.35	-9.46
LME LEAD (3M)	1984.0	-0.10	0.13	-1.98	-10.71
MCX LEAD	176.4	0.77	-0.76	-2.65	-6.84
LME ZINC (3 MONTH)	3049.0	2.16	1.80	3.78	1.94
MCX ZINC	280.9	-0.02	-0.44	1.81	2.95

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

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	24/12/24	23/12/24	CHG	%CHG
COPPER	287425	272425	15000	5.51%
ALUMINIUM	657150	659650	-2500	-0.38%
NICKEL	162048	163068	-1020	-0.63%
ZINC	248950	251975	-3025	-1.20%
LEAD	249250	250700	-1450	-0.58%

Source: Refinitiv

Economic Indicator to be released on 27-Dec-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
Crude Oil Inventories	US	11:30pm	-	-0.7M	-0.9M	Medium

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