

Bullion

Gold prices edged higher on Wednesday despite paring gains, as the U.S. Federal Reserve indicated only one interest rate cut this year due to persistent inflation.

The Fed held rates steady and projected a single rate cut in 2024. Fed Chair Jerome Powell described the inflation outlook as conservative and subject to change.

Better-than-expected consumer price index data, with flat headline figures and a 0.2% rise in core prices, was welcomed by officials.

Consequently, the likelihood of a rate cut in September dropped from 71% to 64% following the Fed's decision.

Silver

On Wednesday, spot silver ended 1.50 percent higher, closing at \$29.7 per ounce whereas MCX Silver ended 2.01 percent higher at Rs.90445/kg.

Outlook

Gold prices are expected to remain steady as the market reacts to the Federal Reserve's cautious inflation outlook and a slow approach to rate cut.

Technical Outlook

valid on 13th Jun 2024

BULLION	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX BULLDEX JUN'24	18020	18380	18890	19090
GOLD - AUG'24	70990	71450	72050	72240
SPOT GOLD	2251	2288	2365	2393
SILVER - JUL'24	88020	89320	91950	92890
SPOT SILVER	28.52	28.80	29.59	30.00

Market Highlights (% change)

as on 12th Jun 2024

INDICES	LAST	CHANGE	WOW	MOM	YOY
INR/\$ (Spot)	83.4	-0.20	-0.11	-0.02	1.55
Euro/\$ (Spot)	90.2	0.60	0.09	1.39	1.35
Dollar Index	104.6	-0.56	-0.23	-1.48	2.09
NIFTY	23323.0	0.25	0.14	3.18	34.35
SENSEX	76606.6	0.20	-0.11	2.85	29.86

Source: Refinitiv

Market Highlights Gold (% change)

as on 12th Jun 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Gold (Spot)	2322.6	0.27	1.30	1.62	18.02
Gold (Spot - Mumbai)	72100.0	0.42	6.48	-0.55	20.57
Comex	2336.0	1.24	1.34	1.95	18.64
MCX Gold	71970.0	0.67	0.86	2.21	21.16
MCX BULLDEX	18640	1.06	0.86	4.62	#N/A

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

Market Highlights Silver (% change)

as on 12th Jun 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
Silver (Spot)	29.7	1.50	1.80	13.01	23.37
Silver (Spot - Mumbai)	91450.0	31.77	-8.15	13.74	23.58
Comex	30.2	3.58	2.87	14.34	25.34
MCX Silver	90445.0	2.01	1.52	13.76	25.24

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

Source: Refinitiv

Energy

Crude Oil

Oil prices climbed on Wednesday, supported by ongoing Middle East tensions, but gains were tempered by the Federal Reserve's indication that interest rate cuts may not begin until December.

Despite the Israel-Hamas conflict not yet impacting global oil supply, the perceived risk has driven up crude prices.

Investors were disappointed by the Fed's cautious stance on rate cuts, expecting only one small reduction this year to combat inflation.

Additionally, the European Central Bank signaled a slow approach to rate cuts due to uncertain inflation prospects.

Outlook

Crude prices are expected to remain elevated due to ongoing Middle East tensions and cautious sentiment from the Federal Reserve on future rate cuts.

Technical Outlook

valid on 13th Jun 2024

Crude	Support		Resistance	
	S - 2	S - 1	R - 1	R - 2
MCX CRUDE JUN'24 (RS/BBL)	6190	6340	6690	6920
WTI CRUDE OIL (\$/BBL)	73.30	75.50	79.90	81.50
BRENT CRUDE OIL (\$/BBL)	77.20	79.10	84.10	86.60
MCX NATURAL GAS JUN'24	228	242	265	274

Market Highlight Crude Oil (% change) as on 12th Jun 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
BRENT (SPOT)	81.7	0.46	3.03	-8.63	2.73
NYMEX CRUDE	78.5	0.77	3.93	-4.19	3.74
ICE BRENT CRUDE	82.6	0.83	3.74	-5.99	3.55
MCX CRUDE	6577.0	0.78	4.02	-3.82	6.10

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

Source: Refinitiv

Market Highlight Natural Gas (% change) as on 12th Jun 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
NYMEX NG	3.0	-2.68	4.35	52.94	37.41
MCX NG	259.9	-0.91	2.73	34.25	27.21

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

Source: Refinitiv

Base Metals

Copper prices rebounded on Wednesday as cooler-than-expected U.S. inflation data fueled hopes for a Federal Reserve rate cut by September.

The dollar's decline, following flat headline inflation, made dollar-priced metals more attractive.

Despite copper hitting seven-week lows on Tuesday and retreating 11% from its May all-time high, traders anticipated a dovish Fed statement, boosting industrial metals.

However, high inventory levels in Shanghai Futures Exchange warehouses suggest ongoing weak demand.

Outlook

Copper prices are expected to remain buoyant, driven by optimism over potential Federal Reserve rate cuts and a weaker dollar.

Technical Outlook valid on 13th Jun 2024

	Support		Resistance	
Base metals (Rs/Kg)				
MCXMETLDEX JUN'24	16990	17230	17740	17920
LME COPPER (\$/TONNE)	9570	9750	10080	10390
COPPER JUN'24	842.00	854.10	873.90	881.80
ZINC JUN'24	249.10	254.20	265.80	271.70
LEAD MJUN'24	179.60	183.60	193.40	197.80
ALUMINIUM JUN'24	223.20	228.40	239.60	243.10

Market Highlights Base Metals (% change) as on 12th Jun 2024

COMMODITY	LAST	CHANGE	WOW	MOM	YOY
LME COPPER (3 MONTH)	9944.5	1.90	1.86	-0.47	10.58
MCX COPPER	867.2	1.05	1.59	0.48	10.48
LME ALUMINIUM (3 MONTH)	2575.5	1.66	-0.10	-0.62	6.73
MCX ALUMINIUM	235.5	1.07	-0.04	-2.69	14.21
LME NICKEL (3 MONTH)	18061.0	1.36	0.17	-6.12	-24.23
MCX NICKEL	1522.9	-0.30	-4.32	-6.53	-24.61
LME LEAD (3 MONTH)	2173.0	0.77	-1.20	-1.98	3.13
MCX LEAD	187.9	0.35	-0.08	-1.13	4.07
LME ZINC (3 MONTH)	2894.0	4.44	4.59	-1.09	-0.98
MCX ZINC	260.2	3.07	3.87	0.89	2.42

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

Source: Refinitiv

LME Inventories in tonnes

COMMODITY	12/06/24	11/06/24	CHG	%CHG
COPPER	127425	127325	100	0.08%
ALUMINIUM	1092550	1096250	-3700	-0.34%
NICKEL	85728	85650	78	0.09%
ZINC	257900	259350	-1450	-0.56%
LEAD	190250	188625	1625	0.86%

Source: Refinitiv

Economic Indicator to be released on 13-Jun-24

INDICATOR	COUNTRY	TIME (IST)	ACTUAL	FORECAST	PREVIOUS	IMPACT
Core PPI m/m	US	6:00pm	-	0.3%	0.5%	High
PPI m/m	US	6:00pm	-	0.1%	0.5%	High
Unemployment Claims	US	6:00pm	-	225K	229K	High
Treasury Sec Yellen Speaks	US	9:30pm	-	-	-	Medium
30-y Bond Auction	US	10:31pm	-	-	4.64 2.4	Medium

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