



Source: Angel One Commodities Research

Monthly Performance – Commodities

Gold

Bullion surged by more than 5 percent in the month of Sep'24. Traders embraced the momentum generated by the U.S. Federal Reserve's bold interest rate cut and signs that further reductions were on the horizon. Geopolitical tensions, particularly concerning Israel and Iran, are supporting gold prices and unless these risks subside, prices are likely to remain near record levels. Apparently, the US is discussing strikes on Iran's oil facilities as retaliation for Tehran's missile attack on Israel, President Joe Biden said, while Israel's military hit Beirut with new air strikes in its battle against Lebanese armed group Hezbollah. Bullion is considered a safe investment during times of political and financial uncertainty and thrives in a low-rate environment.

Outlook: We expect spot gold prices and MCX Gold prices to trade sideways to higher towards \$2730/oz and Rs.77500/10gms respectively in Oct'24.

Base metals

Sep'24 was a month for base metals as most of them traded in green. Copper prices surged by more than 9 percent propelled by hopes of firmer metals demand after China announced fiscal stimulus measures following an easing of monetary policy to boost its sluggish economy. China's central bank lowered the cost of its medium-term loans to banks, a day after it announced plans to lower borrowing costs, inject more funds into the economy, and ease households' mortgage repayment burden. Chinese leaders have vowed to deploy "necessary fiscal spending" to meet this year's economic growth target of roughly 5%, after the country's central bank unveiled its biggest stimulus since the pandemic, including cuts to key interest rates. The new plans included issuing special sovereign bonds worth about 2 trillion yuan (\$284.43 billion) this year.

Outlook: We expect LME & MCX copper prices to trade higher towards \$10330 per tonne and Rs.896 per kg respectively in the month of Oct'24.

Oil

Crude oil prices experienced a volatile performance throughout Sep'24. Initial trend of this commodity was bearish on reports that Saudi Arabia, the world's top crude exporter, will give up its \$100 price target in preparation for raising output, along with OPEC members and allies in December. Towards the end, the trend reversed, and crude prices moved higher on worries that the escalating conflict in the Middle East could threaten oil supplies from the world's top producing region, but a large build in U.S. crude inventories limited gains. It was reported that Israel delivered a harsh response to the recent Iranian attack by bombing central Beirut.

Outlook: We expect WTI and MCX oil prices to trade higher towards \$80/barrel and Rs.6730/barrel respectively in the month of Oct'24.

Monthly Trend Deciding levels – October 2024

Commodity	S1	S2	R1	R2	Trend
MCX BULDEX	18300	17700	19600	20300	Sideways
Gold Dec	73800	72000	77500	79400	Sideways
Spot Gold \$	2595	2532	2730	2800	Sideways
Silver Dec	85800	78800	99900	107000	Sideways
Spot Silver \$	29.752	27.325	34.642	37.2	Sideways
Copper Oct	817	778	896	935	Up
LME Copper	9430	8970	10330	10790	Up
Crude oil Nov	5560	5070	6730	7230	Up
Crude oil \$	66.10	60.30	80.00	86.00	Up
N G Oct	200	170	280	320	Up
N G \$	2.37	2.02	3.32	3.8	Up

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