

October 4, 2022

## Daily Currency & Commodity Outlook

Daily Recommendation						
Currency/Commodity	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Silver mini	Nov	Buy	61200-61250	62000	60700	1 day
EURINR	Oct	Sell	80.28-80.30	80.00	80.50	1 day

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## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	111.64	112.06	-0.37%
US\$INR	82.04	81.71	0.40%
EURUSD	0.9825	0.9794	0.32%
EURINR	80.27	79.95	0.40%
GBPUSD	1.1322	1.1143	1.61%
GBPINR	91.83	90.55	1.41%

## Daily Currency Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (27th Oct-22)	81.59	81.82	81.98	82.21	82.37
US\$INR (28th Nov-22)	81.48	81.88	82.13	82.54	82.79
EURINR (27th Oct-22)	79.82	80.04	80.43	80.66	81.04
EURINR (28th Nov-22)	80.30	80.50	80.80	81.00	81.30
GBPINR (27th Oct-22)	90.26	91.05	91.72	92.51	93.17
GBPINR (28th Nov-22)	90.60	91.36	92.04	92.79	93.47
JPYINR (27th Oct-22)	56.51	56.61	56.73	56.83	56.95
JPYINR (28th Nov-22)	56.77	56.89	57.02	57.13	57.26

- Rupee future maturing on October 27th depreciated yesterday by almost 0.40% amid uptick in crude oil prices. Further, foreign funds outflow from the domestic equity markets pressurised rupee

- The US dollar depreciated on Monday amid weaker than expected economic data from the US. The ISM Manufacturing PMI unexpectedly fell to 50.9 in September of 2022, pointing to the slowest growth in factory activity since the contractions in 2020

- The Euro appreciated yesterday amid weak US dollar. However, weaker than expected manufacturing data from the Euro area restricted further upside in the euro

- The pound edged higher by almost 1.50% yesterday on reports that Britain would reverse plans to cut the highest rate of income tax, one contentious part of a package of financial measures that last month sent sterling and British government bonds into meltdown

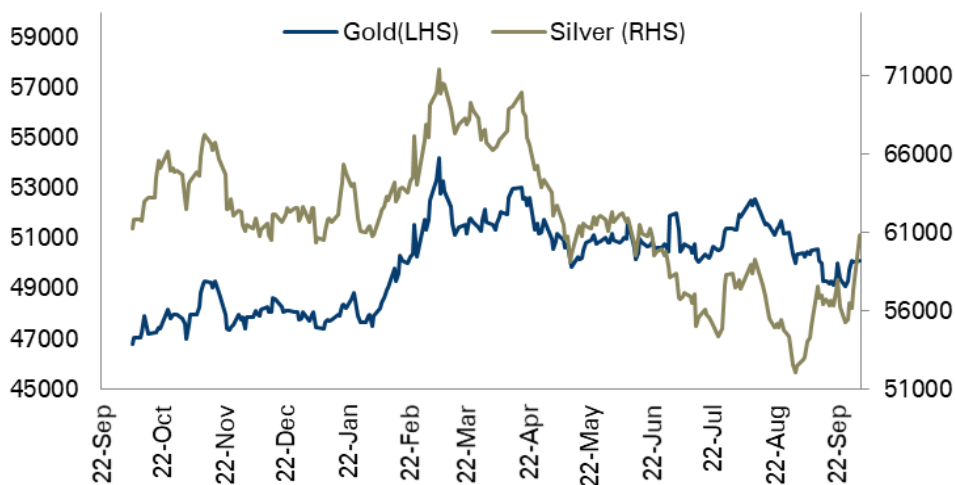
## Follow-up

Currency/Commodity	Contract	Action	Price	Target	Stoploss	Comment
Natural gas	Oct	Sell	661-661.5	651	667	Not Initiated
USDINR	Oct	Buy	81.70-81.72	82.00	81.50	Not Initiated

## Bullion Outlook

- Comex gold prices soars above the \$1,700 mark for the first time in two weeks on Monday amid weak US dollar and US 10 years treasury yields
- Further, concerns over global economy slowdown supported bullion prices to move higher
- MCX gold prices are expected to trade with a positive bias for the day amid weakness in US dollar index. It is likely to break the key resistance level of ₹ 51,250 to trade in upward trend towards the level of ₹ 51,600 in the coming trading sessions
- Additionally, silver prices are likely to take cues from the gold prices and trade towards the level of ₹ 62,700

## MCX Gold vs Silver Performance



## MCX Price Performance

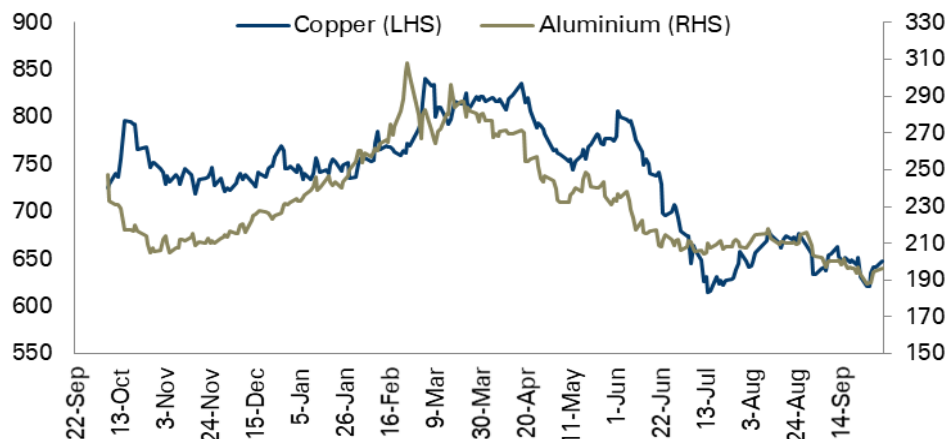
Commodity	S2	S1	Pivot	R1	R2
Gold	50050	50090	50170	50210	50290
Silver	53348	57119	59051	62822	64754
MCXBULLDEX	13614	13957	14133	14476	14652
Copper	637.4	642.8	646.1	651.5	654.9
Aluminium	188.2	192.3	194.7	198.8	201.2
Zinc	263.1	265.4	269.7	272.0	276.3
Lead	174.4	175.7	177.3	178.6	180.2
Crude Oil	6515	6661	6793	6939	7071
Nat Gas	497.3	513.8	535.3	551.8	573.3
MCXENRGDEX	8286	8416	8569	8699	8852

## Daily Commodity Pivot Levels

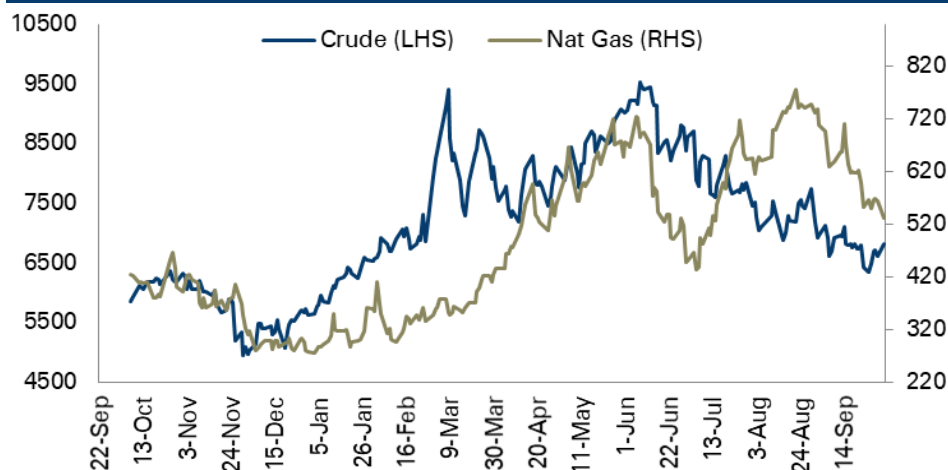
Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	50130	0.07%	1708.60	2.19%
Silver	60890	7.09%	20.76	9.04%
MCXBULLDEX	14300	3.10%	-	-
Copper	648.20	0.50%	7514.00	-0.61%
Aluminium	196.45	2.80%	2231.00	3.19%
Zinc	267.65	-1.33%	2917.50	-1.70%
Lead	176.95	-0.56%	1908.00	1.71%
WTI Crude Oil	6808	4.11%	83.34	4.84%
US Nat Gas	530.4	-5.44%	6.51	-3.72%
MCXENRGDEX	8545	-0.09%	-	-

Source: Bloomberg, Reuters, ICICI Direct Research

## MCX Copper vs. Aluminium Performance



## MCX Crude Oil vs. Natural Gas Performance



## Base Metal Outlook

- MCX copper rose yesterday amid continuous drop in LME warehouse inventories
- However, sharp upside was prevented as Chinese factory activity contracted at a sharper pace in September as strict COVID lockdowns disrupted production and hit demand for Chinese goods
- We expect copper prices to trade with a negative bias for the day on expectations of weakening demand, reinforced by manufacturing data from around the world.

## Energy Outlook

- MCX crude oil prices jumped by nearly 4.2% on Monday as OPEC+ considered reducing output by more than 1 million barrels per day (bpd) to buttress prices with what would be its biggest cut since the start of the COVID-19 pandemic
- Further, top oil exporter Saudi Arabia may raise prices for most crude grades it sells to Asia in November on expectations for demand recovery, supported crude oil prices
- We expect MCX crude oil prices to trade with a positive bias for the day as OPEC+ considers output cut to support crude oil prices

# Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
JOLTs Job Openings (Aug)	USD	7:30 PM	-	10.775M	11.239M	High
Factory Orders (MoM) (Aug)	USD	7:30 PM	-	0.30%	-1.00%	Medium
ECB President Lagarde Speaks	EUR	8:30 PM	-	-	-	High

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*Source: Bloomberg, Reuters, ICICI Direct Research*

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