

March 19, 2024

# Daily Currency & Commodities Outlook

Daily Recommendations						
Commodity/Index	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Gold Mini	April	Buy	65380-65400	65850	65100	Intraday
USDINR	March	Buy	82.85-82.86	83.00	82.78	Intraday

## Research Analysts

**Jay Thakkar**  
jay.thakkar@icicisecurities.com

**Raj Deepak Singh**  
rajdeepak.singh@icicisecurities.com

**Saif Mukadam**  
saif.mukadam@icicisecurities.com

**Anup Sahu**  
anup.sahu@icicisecurities.com

## News and Developments

- Spot gold prices ended on the positive note gaining more than 0.2% yesterday ahead of major central banks monetary policy, to get clues on inflation and interest rate trajectory. US Federal Reserve and Bank of England are likely to keep policy rates unchanged while, Bank of Japan is expected to exit its ultra-dovish monetary policy. Moreover, escalating geopolitical tensions in Middle East and Ukraine kept bullion's safe haven demand intact
- Dollar index advanced yesterday by 0.13% ahead of US Federal Reserve monetary policy, where central bank is widely expected to keep its interest rate unchanged. More focus is on policymakers updated economic and interest rate projections. Moreover, US economic news supported the dollar after the NAHB housing market index unexpectedly rose to an 8-month high
- The US NAHB housing market index unexpectedly rose to an 8-month high of 51 in March, stronger than expectations of no change at 48
- U.S. Treasury yields climbed ahead of US Federal Reserve monetary policy meeting to get cues on rate path this year. Yield on benchmark US 10-year treasury note rose to 4.324% and 2-year treasury yield, which typically moves in step with interest rate expectations edged higher to 4.734%.
- Crude oil prices ended on positive note yesterday gaining more than 2% on lower crude exports from Iraq and Saudi Arabia and signs of stronger demand. Iraq, said it would reduce crude exports to 3.3 mbpd in coming months to compensate for exceeding its OPEC+ quota since January. In Saudi Arabia, crude exports fell for a 2<sup>nd</sup> consecutive month, down to 6.297 mbpd in January from 6.308 mbpd in December
- Copper prices hit 11 month high buoyed by strong industrial production data from China and persistent decline in stocks at LME registered warehouses

## Price Performance

Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	65608	0.10%	2160.36	0.21%
Silver	75496	-0.20%	25.04	-0.59%
Copper	765.7	0.45%	9089.00	0.19%
Aluminium	204.6	0.00%	2277.50	0.13%
Zinc	221.0	-0.76%	2532.00	-1.13%
Lead	178.3	-1.03%	2090.00	-1.85%
WTI Crude Oil	6844	1.85%	82.72	2.07%
US Nat Gas	141.7	2.46%	1.70	2.90%

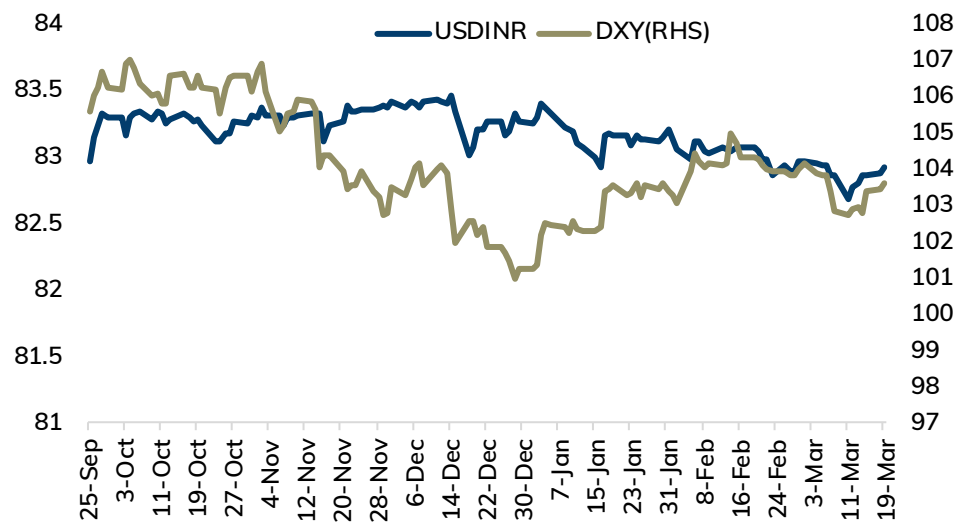
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (26th Mar)	82.92	0.04%	2858571	-80186	1118883	-1055082
EURINR (26th Mar)	90.41	0.16%	107568	9182	70439	-104079
GBPINR (26th Mar)	105.60	-0.05%	182184	-11142	105841	-98013

## Daily Strategy Follow-up

Commodity/Index	Expiry	Action	Entry	Target	Stoploss	Comment
Copper	March	Sell	764-764.50	758	768	Stoploss Triggered
USDINR	March	Buy	82.84-82.85	83.00	82.74	Profit Booked

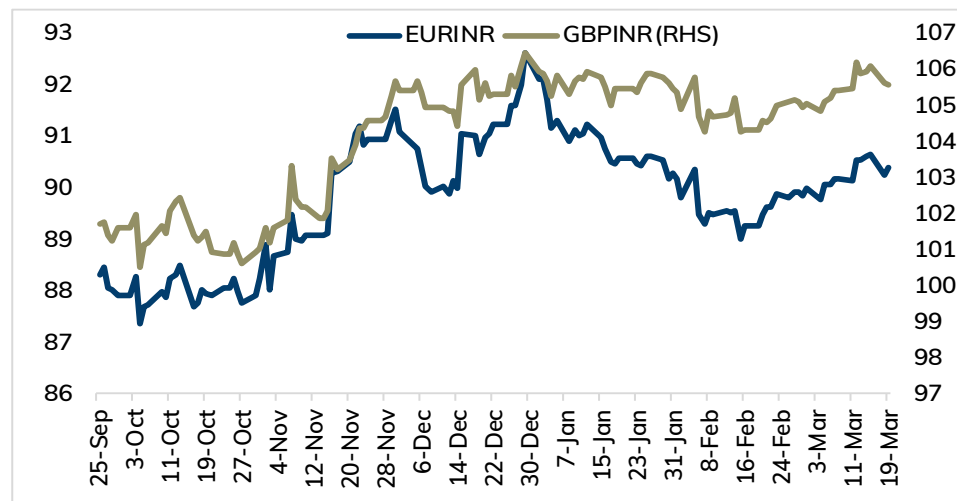
## Dollar Index vs. US\$INR



## Rupee Outlook

- Rupee depreciated on Monday amid strong dollar and weakness in Asian currencies. Further, dollar purchase by state-run banks have limited the rupee's rally.
- Rupee is likely to move in sideways range ahead of the upcoming FOMC meeting this week. Better than expected US economic data would support the dollar to hold its edge before the Fed policy outcome. Further, higher crude oil prices and weaker global risk sentiments would also weigh on the rupee. Meanwhile, investors will eye on the monetary policy from Bank of Japan which could bring volatility in to the market. Further, strong inflows into the domestic markets could support the rupee to trim its losses. USDINR March likely to move in the band of 82.80-83.00. Only close above 83.00 it would test 83.10.

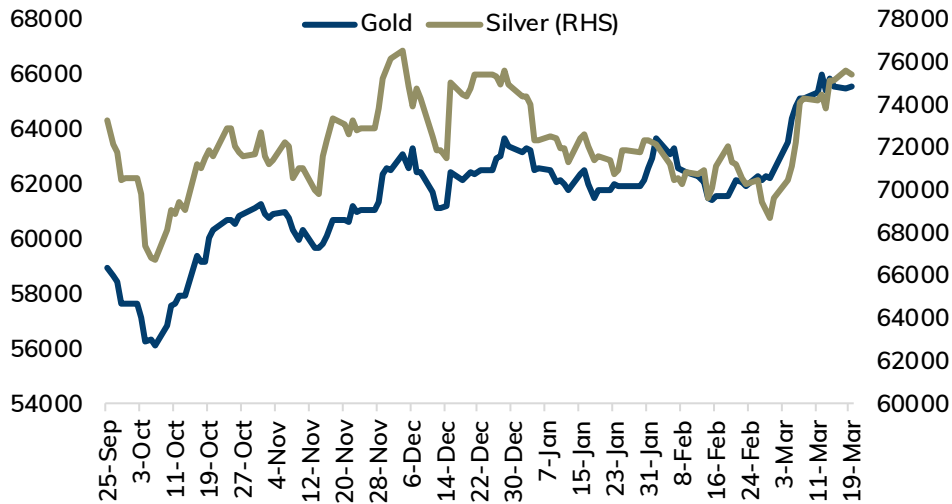
## EURINR vs. GBPINR



## Euro and Pound Outlook

- Euro gave up its early advance and hit its lowest level in 1 week on dovish comments from ECB Governing council member de Cos who said the ECB may start cutting interest rate in June. For today, EURUSD is likely to face stiff resistance near 1.09 level and move towards 1.0845 amid growing speculation that ECB would start cutting rates this summer to support the growth. EURINR March is likely to weaken towards 90.00, as long as it trades under 90.60.
- Pound also traded lower amid strong dollar. The pair is likely to trade weaker as long as it stays below 1.2760 and move towards the key support at 1.27. We expect the pair to move in a very tight range ahead of this week's monetary policy from Fed and BOE. GBPINR March is likely to move in the range of 105.30 and 106.00 ahead of the policy. Only a move below 105.30 it would slip towards 105.00 level.

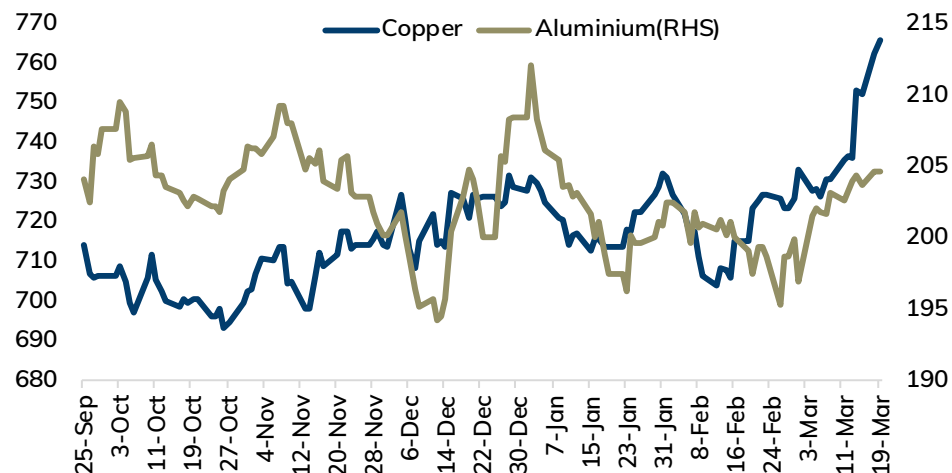
## MCX Gold vs. Silver



## Bullion Outlook

- Spot gold is likely to hold the support near \$2145 levels and rise towards \$2175 levels amid weakness in short term US treasury yields and expectation of correction in dollar. Dollar is likely to move south ahead of Major central bank monetary policy meetings. US Federal Reserve is likely to hold its interest rates unchanged at 5.25%-5.5%, while, Bank of Japan is expected to end its eight years of negative interest rates. Additionally, demand for safe haven may increase on mounting tension in Middle East and Russia. Meanwhile, sharp upside may be capped on expectation of improved economic data from US
- MCX Gold April prices is likely to rise further towards 65,900 level as long as it stays above 65,200 levels
- MCX Silver May is expected is expected to follow gold and rise further towards 76,100 level as long as it sustains above 75,000 level.

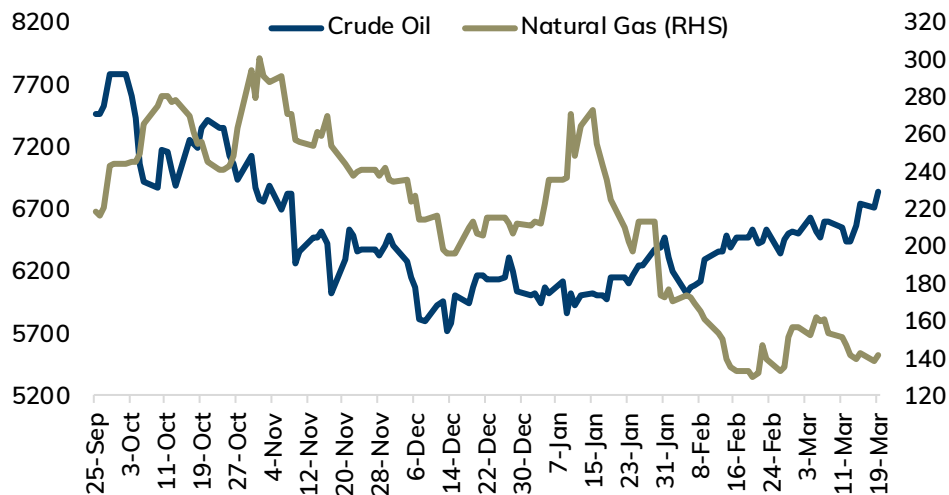
## MCX Copper vs. Aluminium



## Base Metal Outlook

- Copper prices are expected to trade with positive bias amid rise in risk appetite in the global markets, persistent decline in LME inventories and expectation of correction in dollar. Further, upbeat economic data from China signals improving economic conditions in country. Furthermore, prices may rally on concerns for refined copper supply after Chinese smelters agreed to cut output. Moreover, expectation of improved economic data from Euro Zone and US will be supportive for prices.
- MCX Copper is expected to move north towards 769 level as long as it stays above 759 level. A move above 769 would open the doors for 772 levels.
- Aluminum is expected to slip further towards 203 level as long as it stays below 205.50 level.

## MCX Crude Oil vs. Natural Gas



## Energy Outlook

- NYMEX Crude oil is expected to rise further towards \$83.0 amid signs of stronger demand and positive economic data from US and China. Further, prices may rally on lower crude oil exports from OPEC largest and second largest producers, Saudi Arabia and Iraq. Moreover, US Energy Secretary Jennifer Granholm said crude oil stockpiles in the SPR at year end will be at or exceeding the level prior to a massive 180 million barrel sale two years ago. Meanwhile, further upside may be capped as investors focus will also be on manufacturing pmi data from major economies, beyond US Fed policy
- MCX Crude oil April is likely to rise towards 6920 levels as long as it trades above 6700 levels.
- MCX Natural gas is expected to rise further towards 150 levels as long as it stays above 137 levels on forecasts for colder US temperatures.

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	64976	65292	65496	65812	66016
Silver	74777	75137	75543	75903	76309
Copper	755.5	760.6	764.7	769.8	773.9
Aluminium	203.4	204.0	204.8	205.4	206.2
Zinc	218.3	219.6	221.8	223.1	225.3
Lead	176.6	177.4	179.0	179.8	181.4
Crude Oil	6678	6761	6808	6891	6938
Nat Gas	135	138	142	146	150

## Daily Currency Pivot Levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	82.80	82.86	82.90	82.95	82.99
US\$INR (Apr)	82.90	82.95	82.98	83.03	83.06
EURINR (Mar)	90.14	90.27	90.35	90.48	90.56
EURINR (Apr)	90.34	90.46	90.53	90.66	90.73
GBPINR (Mar)	105.36	105.48	105.57	105.69	105.78
GBPINR (Apr)	105.47	105.58	105.66	105.77	105.85
JPYINR (Mar)	55.60	55.66	55.70	55.76	55.80
JPYINR (Apr)	55.96	56.04	56.12	56.20	56.28

# Key Parameters

## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	103.58	103.43	0.14%
US\$INR	82.91	82.89	0.03%
EURUSD	1.0872	1.0889	-0.16%
EURINR	90.38	90.33	0.05%
GBPUSD	1.2729	1.2736	-0.05%
GBPINR	105.59	105.70	-0.10%

## 10 year government - Global Bonds Yields

Country	Close	Pvs. Close	Change
India	7.089	7.064	0.025
US	4.324	4.306	0.0179
Germany	2.459	2.442	0.017
UK	4.089	4.102	-0.013
Japan	0.767	0.786	-0.019

## US Crude Stocks Change (Barrels)

Release Date	Time (IST)	Actual	Forecast
3/13/2024	8:00 PM	-1.5M	0.9M
3/6/2024	9:00 PM	1.4M	2.4M
2/28/2024	9:00 PM	4.2M	3.1M
2/22/2024	9:30 PM	3.5M	3.9M
2/14/2024	9:00 PM	12.0M	3.3M
2/7/2024	9:00 PM	5.5M	1.7M
1/31/2024	9:00 PM	1.2M	-0.8M

## LME Warehouse Stocks (Tonnes)

Commodity	Current Stock	Change in Stock	% Change
Copper	106825	-475	-0.44%
Aluminium	568525	-3250	-0.57%
Zinc	264900	775	0.29%
Lead	195000	4425	2.32%
Nickel	77424	3396	4.59%

# Economic Calendar

Date & Time (IST)	Country	Data & Events	Actual	Expected	Previous	Impact
Monday, March 18, 2024						
7:30 AM	China	Industrial Production y/y	7.00%	-	6.80%	High
3:30 PM	Europe	Final CPI y/y	2.60%	-	2.60%	Medium
Tuesday, March 19, 2024						
Tentative	Japan	BOJ Policy Rate	-	-0.10%	-0.10%	High
3:30 PM	Europe	German ZEW Economic Sentiment	-	20.60	19.90	Medium
6:00 PM	US	Building Permits	-	1.5M	1.47M	Medium
Wednesday, March 20, 2024						
6:45 AM	China	5-y Loan Prime Rate	-	3.95%	3.95%	High
3:30 PM	UK	CPI y/y	-	-	5.10%	High
8:00 PM	US	Crude Oil Inventories	-	-	(-1.5)M	Medium
11:30 PM	US	Federal Funds Rate	-	5.50%	5.50%	High
11:30 PM	US	FOMC Economic Projections	-	-	-	
Thursday, March 21, 2024						
2:30 PM	Europe	Flash Manufacturing PMI	-	-	46.5	High
2:30 PM	Europe	Flash Services PMI	-	-	50.2	High
5:30 PM	UK	Official Bank Rate	-	5.25%	5.25%	High
6:00 PM	US	Unemployment Claims	-	-	209K	High
7:15 PM	US	Flash Manufacturing PMI	-	-	52.2	High
7:15 PM	US	Flash Services PMI	-	-	52.3	High
8:00 PM	US	Natural Gas Storage	-	-	-40B	Medium
Friday, March 22, 2024						
12:30 PM	UK	Retail Sales m/m	-	-	3.4%	High
2:30 PM	Europe	German ifo Business Climate	-	-	85.5	Medium



---

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,  
ICICI Securities Limited,  
Third Floor, Brillanto House,  
Road No 13, MIDC,  
Andheri (East)  
Mumbai – 400 093  
research@icicidirect.com

---



# Disclaimer



I/We, Jay Thakkar MBA (Finance), Raj Deepak Singh BE, MBA (Finance), Saif Mukadam BSc, MMS (Finance), Anup Sahu BSc, MBA (Finance) Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

## Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal  
Contact number: 022-40701000 E-mail Address: [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: Mr. Prabodh Avadhoot Email address: [headservicequality@icicidirect.com](mailto:headservicequality@icicidirect.com) Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

# Disclaimer

Since associates of ICICI Securities and ICICI Securities as an entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.