



## PARADIGM COMMODITIES ADVISORS

Metals & Energy Report-9<sup>th</sup> January 2025

### China deflation and Dollar bull run keeps metals chaotic- Crude oil looks like a slow bear market

**Please Read this before you trade:** Agri outlook given here is positional in nature and valid for 3-5 working sessions. A directional view means validity of trade is 4-8 week. All levels are just indicative. Entry and exit are valid for 2-3 working days. Readers are advised to use marginal discretion while take a call based on prevailing market conditions

#### Bullion

MCX Feb Gold	MCX Gold is stuck in narrow range of 76200-78800. London Spot gold is stuck in the range of 2620-2720. Rupee is weakening and may fall towards 86.25-86.50 in next few days. Canada and German election uncertainty, Extreme weakness in China economy, Super bull run in Bitcoin and Dollar may limit COMEX gold upside. Rupee weakness and possible duty hike in India gold and Bullion during incoming budget could offer Long in MCX gold -Short in COMEX gold arbitrage for global fund houses. MCX Gold Feb/April premium is 1000, almost 2 years high. Virus panic, Trump 2.0 may boost some risk premium -fear premium in gold. Overall- it's a dull market for COMEX, mild positive for MCX gold. Short term trade- Sell Feb gold @ 78180-200. Closing basis SL is 78900. Tgt is 77200-300.
MCX Feb Mini Gold (positional)	Sell Feb mini gold in 2 steps. Sell 50% gold @ 78100. Sell 50% gold @ 78400. Closing basis sl also in 2 steps. 78900 and 79140. Tgt is also in 2 steps. 50% profit booking 77200. 50% profit booking 76850. Call time validity 3-76 working sessions.

#### Metals

MCX Feb Mini Silver	Silver is stuck in a broad range of 87000-95000. Extreme weakness- deflation in China, Hype of bull run among retail bulls keeps market rangebound. Silver is circular market. As of now no new call. We would sit calm wait for low risk and high return trades. Unless Silver cross 37.78 on closing basis- We don't see chances of fireworks. We still believe silver can trade between 22-24 in next few months. Long term trend is clearly bearish because Silver is not able to clear old tops above 48 since last 45 yrs. Current small range is 87000-93000. Big range is 75000-105000. (Import duty hike is Big wild card)
MCX Jan Copper	Copper market recovered amid sharp downturn in rupee, recovery bounce in Shanghai and LME Copper. MCX copper range is 807-832. LME copper range is 8770-9180. Chaotic market. China stimulus hope is limiting downturn. Market is also awaiting tomorrow Nonfarm Job data. Current rally seems intermediate recovery.
MCX Jan Ali	Aluminum is stuck in narrow range. Fundamentals seem bearish due to major weakness in China- Europe Auto and housing sector. Broad range in MCX Alu is 235-247.
MCX Jan Zinc	Zinc prices corrected sharply amid rumors of large-scale property default in China, fear of virus outbreak etc. US housing, China stimulus etc. are major wild cards. Long term trend is bullish. Global rate cut, stimulus, supply crunch may support buy case. Small range is 260-290. Broad range is 240-320. Zinc may outperform other metals during 2H 2025.

#### Oil & Gas

MCX Jan oil	OPEC keeps limiting production to prop up market. Macro fundamentals are very very weak. Broad range for NYMEX crude is 55-85. MCX crude broad range is 5000-8000. Major wild card is rupee which may hit 90 or higher after Budget 2025. US production is booming. Once trump takes charge- USA may flood oil – Drill baby Drill and Pump baby Pump are major theme in oil and gas markets.
MCX Aug Gas	Gas market turned hyper chaotic. Massive swings in fwd. spreads. Some time very large premium, some time very big discount. Major driver is Russia- Europe supply risks- sabotage etc. Gas volatility may remain in place for Jan-Mar 2025.

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