

# Commodities and Indices Market View

Tuesday, January 21, 2025



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## Technicals



<b>S&amp;P 500</b>	<b>RSI (20:80)</b>	<b>Sto Fast</b>
	54.23%	D 48.02% K 64.97%



<b>Dow Jones</b>	<b>RSI (20:80)</b>	<b>Sto Fast</b>
	53.81%	D 55.95% K 74.88%

## US Stock Market

DJIA	S&P 500	NASDAQ
43,487.83	5,996.66	19,630.20
+0.78%	+1.00%	+1.51%

Global markets greeted Donald Trump's presidency with apprehension on Tuesday in moves that were highly sensitive to headlines over the newly sworn-in president's plans for trade relations and tariffs in particular. U.S. markets were closed for a holiday on Monday, so the first reactions to Trump's return to the White House were felt during Asian trade on Tuesday. Just as investors cheered the possibility of a delay in Trump's implementation of tariffs following a brief mention of the topic in his inauguration speech, the U.S. president said shortly after that he was mulling imposing 25% tariffs on Mexico and Canada as soon as Feb. 1. The benchmark 10-year U.S. Treasury yield was last 6.7 basis points lower at 4.5440%. Yields move inversely to bond prices. The two-year Treasury yield eased 4.7 bps to 4.2255%. The official Fed blackout period has started, as the next Fed meeting is just nine days away. Following the recent set of mixed US data, the market is pricing in 38bps of monetary policy easing in 2025, with the first 25bps rate cut fully priced in by July. However, the market remains in angst over what the new President may bring to the table going forward.

## Major Economic Releases for Today

Period	Event	GMT	Forecast	Previous
DEC	Claimant Count Change (Dec)	12:00	10.3K	0.3K
DEC	Employment Change (3M) (Nov)	12:00	-	173K
DEC	ILO Unemployment Rate (3M) (Nov)	12:00	4.4%	4.3%
DEC	BoC Consumer Price Index Core (YoY) (Dec)	13:30	-	1.60%
DEC	Consumer Price Index (YoY) (Dec)	13:30	1.80%	1.90%
NOV	Average Earnings Excluding Bonus (3Mo/Yr) (Nov)	12:00	5.5%	5.2%

## Dow Jones Industrial Average

U.S. stock index futures were higher on Monday evening after President Donald Trump took office and announced a series of executive orders, while a slew of major corporate earnings were on tap for the week. Dow Jones Futures were 0.6% higher at 43,943.0 points. Trump's plans for hefty import tariffs have been a key area of focus for financial markets on the view that such policies will stoke inflation and run the U.S. economy red hot again, which would boost the dollar and hurt bonds. Some investors had expected a swift imposition of tariffs from the moment he took office, so the lack of any concrete moves initially sparked a brief relief rally across stocks and U.S. Treasuries.



## NASDAQ 100

Trump reoccupied the White House on Monday when the stock markets were closed for the Martin Luther King, Jr. Day holiday. Nasdaq 100 Futures gained 0.6% to 21,729.75 points. Global markets were volatile while the dollar rebounded on Tuesday in choppy trading in the first few hours of Donald Trump's new presidency after he announced plans for trade tariffs on neighbouring countries. Trump was quoted saying his team was thinking of tariffs around 25% on Canada and Mexico which could be announced on Feb. 1. The comments came as a surprise given officials had earlier signalled any new taxes would be imposed in a "measured" way.



## OIL

Oil prices were little changed in Asian trading on Tuesday as investors took stock of President Donald Trump's plans to apply new tariffs later than expected while boosting oil and gas production in the U.S. Brent crude futures edged lower by 1 cent, or 0.01%, to \$80.14 per barrel. The most actively traded West Texas Intermediate crude March contract dipped 60 cents, or 0.78%, to \$76.79 a barrel. There was no settlement in the U.S. market on Monday due to a public holiday. The February contract expires on Tuesday. Traders will now speculate over the extent of Trump's potential tariff hike on China, which may fuel some caution in oil markets amid China's already weak economic conditions.



## Precious and Base Metals

Gold and oil are on divergent paths, with the former trading comfortably above the \$2,700 level and the latter recording its third consecutive red candle. Gold has been on an upward glide since late December, as most investors have ignored the strong dollar rally in recent weeks, choosing instead to keep their positions open ahead of Trump’s second term. Oil has recorded an impressive rally from the mid-\$60s area, climbing above a key long-term trendline and reaching a new 5-month high of \$80.59. The US holiday however, does mean that low levels of liquidity will be present during the US session and could mean any significant moves may materialize from tomorrow onward.



## Traditional Agricultures

Soybeans posted a rally ahead of Monday’s inauguration. Contracts were up 10 to 15 cents in the nearbys, with new crop contracts up 3 ½ to 7 ¾ cents. Nearby March was 8 ¾ cents higher since last Friday. CmdtyView’s national front month Cash Bean price is up 14 ¼ cents at \$9.74 ¾. Soymeal futures were 20 cents to \$2.80/ton higher on the Friday session. Soy Oil futures are 17 to 66 points in the green on the session. The wheat market closed out the Friday session with contracts steady to slightly higher. The Chicago SRW market was fractionally higher to 1 ¼ cents on the day. March was 8 cents higher on the week. KC HRW closed with contracts fractionally mixed, as March was down 3 ¼ cents this week. MPLS spring wheat futures are were steady to 2 cents in the green, with March down ¼ cent since last Friday.



**Future Settlement Price Monday, January 21st, 2025**

Instrument	Last	Net Change	High	Low	Volume
S & P 500	6,041.25	7.75	6,078.25	5,994.50	401,989.00
NASDAQ 100	21,613.00	18.25	21,778.75	21,377.75	205,875.00
Dow Jones	43,809.00	114	44,000.00	43,497.00	41,356.00
Gold	2,743.80	-4.9	2,754.80	2,715.60	141,148.00
Silver	31.42	0.274	31.53	30.77	36,901.00
Copper	4.30	-0.0695	4.38	4.28	59,734.00
Crude Oil	76.71	-0.68	77.86	75.82	233,502.00
Platinum	960.90	-4.6	969.00	954.10	14,069.00
Palladium	948.50	-18.6	969.50	941.00	2,865.00
Natural Gas	3.42	-0.062	3.46	3.37	32,415.00
Wheat	549-2	6	550-4	542-0	9,650.00
Soy Beans	1052-0	18	1052-2	1039-0	24,181.00
Corn	489-4	3	490-4	484-2	30,144.00

**Daily Swings (The Pivot Levels)**

Instrument	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
Dow Jones	43,379.68	43,431.06	43,459.35	43,510.73	43,539.02	43,590.40	43,618.69
S & P 500	5,980.74	5,987.94	5,992.32	5,999.52	6,003.90	6,011.10	6,015.48
NASDAQ 100	21,441.17	21,441.16	21,441.17	21,441.16	21,441.17	21,441.16	21,441.17
Gold	2,738.59	2,740.78	2,742.34	2,744.53	2,746.09	2,748.28	2,749.84
Silver	31.33	31.36	31.39	31.42	31.45	31.48	31.50
Copper	4.28	4.29	4.30	4.30	4.31	4.31	4.32
Crude Oil	76.40	76.51	76.64	76.75	76.88	76.99	77.12
Platinum	957.24	958.87	959.84	961.47	962.44	964.07	965.04
Palladium	943.91	945.33	946.66	948.08	949.41	950.83	952.16
Natural Gas	3.78	3.79	3.82	3.83	3.86	3.88	3.90
Wheat	547.18	547.53	548.20	548.55	549.22	549.57	550.24
Cotton	67.71	67.79	67.92	68.00	68.13	68.21	68.34
Corn	488.76	488.93	489.28	489.45	489.80	489.97	490.32

**Source:** - News & Quotes (Reuters, Investing, Bloomberg, FXStreet, Barchart)

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## Contact Details

### Commodity Team

Zaeem Haider Khan	Head of Commodities	Tel: (+92-21) 35301405	zaeem.haider@igi.com.pk
Shakeel Ahmad	Branch Manager – Faisalabad	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Ehsan Ul Haq	Trader – Lahore	Tel: (+92-42) 3830559-68	ehsan.haq@igi.com.pk
Dil Muhammad	Trader – Lahore	Tel: (+92-41) 2540843-45	dil.muhammad@igi.com.pk
Inamullah Shakir	Trader – Islamabad	Tel: (+92-21) 32429613-14	inam.ullah@igi.com.pk
Sheikh Muhammad Imran	Trader – Karachi	Tel: (+92-21) 35301684	imran.ahmed@igi.com.pk
Asif Saleem	Branch Manager – Rahim Yar Khan	Tel: (+92-68) 5871652-6	asif.saleem@igi.com.pk
Mahtab Ali	Branch Manager – Multan	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

### Research Team

Abdullah Farhan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Laraib Nisar	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	laraib.nisar@igi.com.pk

### IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited |  
 Corporate member of Pakistan Mercantile Exchange Limited  
 Website: [www.igisecurities.com.pk](http://www.igisecurities.com.pk)

#### Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,  
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600  
 UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234  
 Fax: (+92-21) 35309169, 35301780

#### Lahore Office

Shop # G-009, Ground Floor,  
 Packages Mall  
 Tel: (+92-42) 38303560-69  
 Fax: (+92-42) 38303559

#### Islamabad Office

3<sup>rd</sup> Floor, Kamran Centre,  
 Block- B, Jinnah Avenue, Blue Area  
 Tel: (+92-51) 2604861-2, 2604864,  
 2273439  
 Fax: (+92-51) 2273861

#### Faisalabad Office

Office No. 2, 5 & 8, Ground Floor, The  
 Regency International 949, The Mall  
 Faisalabad  
 Tel: (+92-41) 2540843-45

#### Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,  
 Model Town, Town Hall Road  
 Tel: (+92-68) 5871652-3  
 Fax: (+92-68) 5871651

#### Multan Office

Mezzanine Floor, Abdali Tower,  
 Abdali Road  
 Tel: (92-61) 4512003, 4571183