

Wednesday, 2 January 2019

**News, Views & Statistics**
**Oil posts first year of losses since 2015**

Oil prices ended with full-year losses for the first time since 2015, after a desultory fourth quarter that saw buyers flee the market over growing worries about a supply glut and mixed signals related to renewed U.S. sanctions on Iran. For the year, U.S. WTI crude futures slumped nearly 25 percent, while Brent tumbled more than 19.5 percent. The market had been on track for solid gains for the year until October, when the United States granted larger-than-expected waivers to importers of Iran's oil, and as demand in emerging economies started to sag. That combination dragged down both benchmarks from four-year highs above \$76 a barrel and \$86 a barrel, respectively, and even a late-year decision by the Organization of the Petroleum Exporting Countries and its allies including Russia, known collectively as OPEC+, to ratchet down output was not enough to restore bullish sentiment. "We're flush with oil," said Phillip Sterile, senior market strategist at RJO Futures. "OPEC is out there cutting, but the market isn't really pricing that in." Oil prices fell more than a third this quarter, the steepest quarterly decline since the fourth quarter of 2014. Crude oil futures posted modest gains on Monday. Brent settled up 59 cents, or 1.1 percent, at \$53.80 a barrel, while WTI settled 8 cents higher at \$45.41 a barrel. Analysts have turned bearish on 2019. A survey of 32 economists and analysts forecast an average Brent price of \$69.13 next year, more than \$5 below analyst projections a month ago, and compared with an average real price of \$71.76 in 2018. Brent, the global benchmark, rose by almost a third between January and October, to a high of \$86.74. That was the highest level since late 2014, the start of a deep market slump amid bulging global oversupply.

**Cotton exports likely to down by 20-23% in FY19**

Lower output combined with currency fluctuations is probably going to dent Cotton export from India. The Cotton export is expected to decline by 20-23 %, and there is a strong possibility that it may hover around 51-53 lakh bales 2018-19 season that started from October. Going by current trend, the export may come down this year and is unlikely to cross last year's figures, only 13-14 lakh bales ( one bale weighing 170kg) have been shipped so far. India had exported 69 lakh bales of Cotton in 2017-18. Cotton Association of India (CAI) in its monthly estimation has pegged the export at 53 lakh bales in the month of November. Indian Cotton finds more buyers in the global market if the prices are lower than the international prices. Cotton prices have remained in the same trajectory of international prices so far. According to CAI, Cotton output in India is estimated to be lower 340 lakh bales in 2018-19 as compared to 3650 lakh bales in 2017-18.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38800	38519	38659	38756	38896	38993	Up
GOLD	31434	31313	31374	31417	31478	31521	Up
CRUDE OIL	3187	3124	3155	3184	3215	3244	Reversal
COPPER	407.65	405.00	406.30	408.10	409.50	411.30	Down
NATURAL GAS	207.00	199.20	203.10	207.90	211.80	216.60	Down
JEERA	17740	17440	17590	17695	17845	17950	Reversal
TURMERIC	6770	6660	6716	6764	6820	6868	Up
SOYBEAN	3433	3353	3393	3426	3466	3499	Reversal
RM SEED	3948	3893	3921	3940	3968	3987	Reversal
GUAR SEED	4310	4261	4285	4327	4352	4394	Reversal

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1282.39	-
LONDON SPOT SILVER	\$15.48	-
NYMEX CRUDE OIL	\$45.82	-
NYMEX NATURAL GAS	\$2.966	-

### Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

### RECOMMENDATIONS

#### CRUDE OIL

CRUDE OIL JAN: TRADING RANGE 3120-3270.



Wait for our intraday trading strategy.

# DHANIYA

**DHANIYA JAN: TRADING RANGE 6020 - 6200.**



Wait for our intraday trading strategy.

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