

Friday, 4 January 2019

News, Views & Statistics

Oil posts first year of losses since 2015

Oil prices rebounded on Thursday after an early slide, helped by dollar weakness and signs of output cuts by the world's top crude exporter Saudi Arabia that eased concerns about a glut. International Brent crude futures (LCOc1) were up 94 cents at \$55.85 a barrel by 1340 GMT. U.S. WTI oil futures (CLc1) rose 65 cents to \$47.19 a barrel. "The feeling is that OPEC is delivering on cuts. The dollar added support as it slipped against a basket of currencies, making dollar-denominated oil cheaper for holders of other currencies. The Organization of the Petroleum Exporting Countries led by Saudi Arabia, alongside other producers led by Russia, agreed last year to rein in supplies starting from January after oil tumbled from above \$86 on worries about surging output. In physical oil markets, Riyadh is expected to cut February prices for heavier crude grades sold to Asia by up to 50 cents a barrel due to weaker fuel oil margins, respondents to a Reuter's survey said on Thursday. President Donald Trump took credit for driving down oil prices, saying the drop amounted to a tax cut for Americans. "People see that gasoline is way down and the reason it's way down is because I called up some of the OPEC people," Trump told reporters. "I made calls, I said you better let that oil, that gasoline flow, and they did." Thursday's swing in the oil price, which fell as much as 2 percent in earlier trade, mirrored volatility in other markets after tech giant Apple cut its sales forecast, citing a slowdown in China. This has added to concerns about a slowing global economy, which weighs on prospects for oil demand. "This is a continuation of the volatility afflicting commodities and oil with the last 24 hours marked by the release of various weak economic data points, particularly manufacturing PMIs, for major economies," consultancy JBC Energy said. More broadly, oil markets have been sliding with rising production from top producers, the United States and Russia. Supply from Iraq, the second biggest producer in OPEC, has also climbed, with December exports at 3.73 million bpd versus 3.37 million bpd in November.

Dry spell, pink bollworm cut Cotton output in Telangana

Unfavorable weather conditions and pink bollworm attacks resulted in extensive Cotton crop damage in Telangana. Dry spells in the initial stages of the kharif season, too, led to stunted growth of bolls. With farmers completing the third round of picking in several parts of Telangana, total cotton output is pegged at 50 lakh quintals as against the targeted 3.5 crore quintals. About 20 lakh farmers grew cotton on about 44-45 lakh acres this kharif as against the normal area of 41 lakh acres. In a normal season, farmers get an average yield of 8-10 quintals an acre. This time, however, yields halved due to the pink bollworm menace, which set in early in the season in some areas.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	39445	39050	39247	39360	39557	39670	Up
GOLD	31793	31547	31670	31804	31927	32061	Up
CRUDE OIL	3285	3138	3211	3276	3349	3414	Reversal
COPPER	400.65	390.10	395.40	402.70	408.00	415.30	Down
NATURAL GAS	207.60	197.80	202.70	207.30	212.20	216.80	Down
JEERA	17525	17270	17400	17500	17630	17730	Down
TURMERIC	6644	6552	6598	6660	6706	6768	Down
SOYBEAN	3456	3413	3435	3461	3483	3509	Up
RM SEED	3941	3908	3924	3941	3957	3974	Up
GUAR SEED	4319.5	4240	4280	4301	4341	4362	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1290.72	+0.49
LONDON SPOT SILVER	\$15.70	+2.48
NYMEX CRUDE OIL	\$46.66	+1.83
NYMEX NATURAL GAS	\$2.941	-0.54

Economic Data

Data	Previous	Forecast	Time
Non-Farm Payroll	155K	178K	7:00pm
Jobless Rate	3.7%	3.7%	-
NG Inv.	-48B	-	9:00pm
Crude Oil Inv.	0.0M	-	9:30pm

RECOMMENDATIONS

COPPER

COPPER FEB: SELL AT 403.00-403.50 TP-397.40/393.25 SL ABOVE 407.00.



Copper continued to tumble as bear's takeover the bulls after major support breakdown. Sell on intraday bounce back.

TURMERIC

TURMERIC APR: TRADING RANGE 6500 - 6740.



Wait for our intraday trading strategy.

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