

Tuesday, 04 August 2018

News, Views & Statistics

Oil prices higher as U.S. sanctions limit Iran exports

Oil prices rose on Monday, supported by concerns that falling Iranian output will tighten markets once U.S. sanctions bite from November, but gains were limited by higher supply from OPEC and the United States. Brent crude oil (LCOc1) was up 60 cents at \$78.24 a barrel by 1345 GMT. U.S. crude (CLc1) was 15 cents higher at \$69.95. The two benchmarks have risen strongly over the last two weeks with Brent gaining more than 10 percent on expectations that global supply will tighten later this year. U.S. sanctions are already curbing exports from Iran. "Exports from OPEC's third-biggest producer are falling faster than expected and worse is to come ahead of a looming second wave of U.S. sanctions," said Stephen Brennock, analyst at London brokerage PVM Oil Associates. "Fears of an impending supply crunch are gaining traction." Stephen Innes, head of trading for Asia-Pacific at brokerage OANDA, said Brent was "supported by the notion that U.S. sanctions on Iranian crude oil exports will eventually lead to constricted markets". Edward Bell, analyst at Emirates NBD bank in Dubai, agreed: "Iranian production is already showing signs of decline, falling by 150,000 bpd last month ... (as) importers of Iranian barrels will already be moving away from taking shipments." But global oil markets are still fairly well supplied. Production by the Organization of the Petroleum Exporting Countries rose 220,000 barrels per day (bpd) in August to a 2018 high of 32.79 million bpd, a Reuters survey showed. [OPEC/O] Output was boosted by a recovery in Libyan production and as Iraq's southern exports hit a record high. U.S. drillers added oil rigs for the first time in three weeks, increasing the rig count by 2 to 862. The high rig count has helped lift U.S. crude production by more than 30 percent since mid-2016 to 11 million bpd.

CAI, BSE to jointly develop Cotton futures contract

The apex cotton trade body, the Cotton Association of India (CAI), will ink an agreement with the BSE to develop a cotton futures market for commodities derivatives trading in the BSE. Announcing the signing of a Memorandum of Understanding (MoU) with the BSE, CAI said the two bodies will join hands to work together on developing a cotton futures contract for BSE's commodity derivatives segment. BSE is to launch a cotton futures contract shortly. In December last year, the Securities and Exchange Board of India (SEBI) had allowed a unified exchange regime wherein stock exchanges would be allowed to offer trading in commodities derivatives from October onward.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	36783	36337	36560	36708	36931	37079	Up
GOLD	30312	29977	30145	30237	30405	30497	Up
CRUDE OIL	5012	4896	4954	4986	5044	5076	Up
COPPER	423.9	418.83	421.37	423.53	426.07	428.23	Up
NATURAL GAS	204.50	199.50	202.00	204.10	206.60	208.70	Up
JEERA	19395	18875	19135	19310	19570	19745	Up
TURMERIC	6746	6678	6712	6762	6796	6846	Sideways
SOYBEAN	3275	3216	3246	3265	3295	3314	Down
RM SEED	4004	3951	3978	3991	4018	4031	Down
GUAR SEED	4427.5	4354	4391	4430	4467	4506	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1201.22	+0.03
LONDON SPOT SILVER	\$14.49	-0.21
NYMEX CRUDE OIL	\$70.10	+0.29
NYMEX NATURAL GAS	\$2.859	-2.06

Economic Data

Data	Previous	Forecast	Time
ISM Mfg. PMI	58.1	57.6	7:30pm

RECOMMENDATIONS

CRUDE OIL

CRUDE OIL SEP: TRADING RANGE 4970-5085.



Wait for our intraday trading strategy.

RMSEED

RM SEED SEP: BUY ABOVE 4010 TP-4073/4115 SL BELOW 3968.



Mustard followed it's relatively stable fundamentals yesterday and bounced back to ignite some spark in bulls' territory. Buy above immediate resistance.

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