

Friday , 05 October 2018

**News, Views & Statistics**
**Oil Prices Retreat from 4-Year Highs**

Oil prices retreated from four-year highs on Thursday, a day after data pointing to the largest biggest build in U.S. crude stockpiles since March 2017 and reports that Russia and Saudi Arabia reached a private agreement last month to increase oil output. London traded Brent crude futures were down 0.44% to \$85.90 a barrel from their last close, pulling back from the high of \$86.74 reached Wednesday, the most since November 2014. U.S crude prices fell 0.82% to \$75.78 by 10:24 AM ET (14:24 GMT), moving further away from Wednesday's four-year peaks of \$76.89. Prices came under pressure after the EIA said Wednesday that U.S. oil stockpiles rose by almost 8 million barrels last week. Separately, Reuters reported that Russia and Saudi Arabia privately agreed in September to hike oil output as crude prices neared \$80 a barrel, before consulting with the OPEC. The move came after U.S. President Donald Trump blasted OPEC for rising oil prices, calling on the cartel to bolster output to cool the market. Oil prices have been marching higher, hitting four year highs this week amid expectations for tighter markets from next month as the U.S. prepares to re-impose sanctions on Iran on Nov. 4, hitting the country's oil exports. Iran is the world's fourth-largest oil producer and the third-largest exporter in OPEC. The impending loss of supply from Iran added to fears that that OPEC and other major non-OPEC producers, including Russia, have little spare capacity to boost output in order to offset a shortfall in global supply.

**Govt. plans to raise MSP of Rabi Crops**

With the beginning of rabi crop season from October, Government plans to raise the MSP of all five rabi crops and the recommendation is to increase them in the range of 2-21 per cent from the last year's MSPs. The announcement of MSP of rabi crops assume significance this year as sowing begins from October and the monsoon rainfall was 20 per cent deficient in September bringing moisture level down. A proposal to this effect is expected to be brought before the next Cabinet meeting as the Election Commission may announce poll schedules for Assembly polls in five States this week. According to the proposal, Masoor may see a hike from Rs 4,250 to Rs 4,475 a quintal. The MSP of Mustard, the key Oilseed crop of the winter season, is also likely to be increased from Rs 4,000 to Rs 4,200 per quintal. MSP of Wheat by Rs 1,735 to Rs 1,840 per quintal, an increase of 6 per cent. Prices of Channa that is also likely to be raised from Rs 4,400 to Rs 4,620 per quintal, an increase of 5 per cent. In case of Safflower, the MSP may be increased from Rs 4,100 to Rs 4,945 a quintal, an increase of 20.61 per cent. Barley MSP is likely to see 2.13 per cent increases at Rs 1,440 per quintal.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38978	38547	38762	39046	39261	39545	Down
GOLD	31417	31048	31232	31385	31569	31722	Up
CRUDE OIL	5469	5347	5408	5526	5587	5705	Up
COPPER	457.15	447.00	452.10	460.70	465.80	474.40	Sideways
NATURAL GAS	234.60	226.30	230.50	235.40	239.60	244.50	Up
JEERA	19120	18835	18980	19085	19230	19335	Down
TURMERIC	6820	6724	6772	6802	6850	6880	Sideways
SOYBEAN	3283	3226	3254	3272	3300	3318	Down
RM SEED	4227	4202	4215	4232	4245	4262	Down
GUAR SEED	4318	4277	4298	4336	4357	4395	Up

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1197.9	+0.07
LONDON SPOT SILVER	\$14.56	-0.41
NYMEX CRUDE OIL	\$74.19	-2.64
NYMEX NATURAL GAS	\$3.153	-2.59

### Economic Data

Data	Previous	Forecast	Time
Non-Farm payroll	201K	185K	6:00pm
Jobless rate	3.9%	3.8%	-

## RECOMMENDATIONS

### CRUDE OIL

**CRUDE OIL OCT: SELL AT 5520-5525 TP-5463/5420 SL ABOVE 5561.**



Bears finally found a reason to celebrate as high momentum rally of crude oil suffered a roadblock yesterday. Sell on intraday rise.

## MENTHA OIL

**MENTHA OIL OCT: BUY AT 1712-1710 TP-1731/1747 SL BELOW 1698.**

MENTHAOIL 1st(MXMTLC1)2018/10/04 - Daily B:1728.30 A:1728.30  
 O 1675.00 H 1728.30 L 1674.20 C 1728.30 ↑ V 1,544 T 917,282 I 1,089 +66.4 +4.00%  
 SMA(13) 1697.1 SMA(13) 1653.9 SMA(8) 1654.8



Mentha oil broke above the crucial trend line resistance yesterday which has also validated the breakout of harmonic pattern AB=CD. Buy on small dips.

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