

The Oil Rally Has Stalled Once Again:

Crude oil hit four-month highs on Thursday, aided by a tightening market and a better-than-expected U.S. jobs report. The caveat is that the jobs survey took place before the latest Covid-19 wave and the associated closures. Analysts still expect oil to face resistance to any further gains. "Gasoline has carried the load on recovery and demand, and it's not clear whether that could continue into August and September

OPEC+ scheduled to ease production cuts. OPEC+ is scheduled to ease production cuts beginning in August, and sources told Reuters that the group will likely refrain from an extension. Saudi Arabia also reportedly put pressure on Nigeria to increase its compliance. On Thursday, Russian energy minister Alexander Novak reiterated that position. "At present, there are no decisions to prepare any changes...Next, under the current agreements we should have a partial restoration of the volume of reductions starting August 1," he said, according to TASS.

(Source: <http://www.wealthdiscovery.in/>)



Technical outlook:

MCX CRUDEOIL (JUL) future technical chart has formed a "Rising Wedge" pattern on the daily time frame. The last few sessions ended up in sideways trend inside the channel. The market is expected to continue the Bullish momentum based on the current price action. Once it breaks and sustain above the key resistance holding at 3080. The upside rally could test the level of 3200 - 3350 in the upcoming sessions. Alternatively, if the key resistance holds strong then the market might retest the same and turn bearish once again. The downside rally could test 2950- 2800 levels. Key support holds at 2800.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
GOLD	05-Aug-20	10 GM	48050	-0.55%	48982/39200	46835	47450	48200	48800	49600	UP
SILVER	04-Sep-20	1 KG	49211	-0.02%	51697/41558	47700	48450	49680	50400	51600	UP
CRUDE OIL	20-Jul-20	Rs/bbl	3054	5.09%	3153/1655	2750	2890	2980	3130	3220	MODERATE
NG	28-Jul-20	Rs/mmBtu	132.7	12.08%	185/116	112	122	129	138	145	UP
COPPER	31-Jul-20	1 KG	459.2	0.38%	469/413	450	454	461	466	473	UP
NICKEL	31-Jul-20	1 KG	978	0.79%	998/924	955	966	975	986	995	MODERATE
LEAD	31-Jul-20	1 KG	143.25	-1.04%	146/133	140	142	144	145	148	UP
ZINC	31-Jul-20	1 KG	162.05	-1.40%	167/156	159	160	163	165	167	MODERATE
ALUMINIUM	31-Jul-20	1 KG	136.6	-0.18%	141/132	135	136	137	138	139	UP