

Crude prices rise further following OPEC+ decision:

Crude oil prices rose by more than \$1/bbl on Friday following on from gains made in the previous session, OPEC and its allies (OPEC+) announced that they will maintain plans to raise production by 400,000bbl/day in January 2022. However, the producers' group members, who met on 2 December, stated that they will continue to monitor the market and will adjust the plan if required.

Concerns over the impact of the Omicron COVID-19 variant on demand heightened by the re-introduction of travel restrictions in some countries has led to a decline in crude prices since 26 November, when news of the spread of the variant in South Africa emerged.

Benchmark crude prices are presently down 18-20% from multi-year highs hit in October this year. Nevertheless, prices are still up by around 40% from levels at the start of the year.

In its most recent report, the International Energy Agency (IEA) estimated that OPEC+ production in September by members subject to the cuts totaled 37.98m bbl/day against a production target of 38.89m bbl/day. Indications are that in October, OPEC+ production continued to remain below target levels.

(Source: <https://www.icis.com/>)



Technical Outlook:

MCX CRUDEOIL (DEC) futures technical chart has formed an "Ascending Broadening Wedge" pattern in a daily chart. In previous session we saw prices have taken bounce from the support level of 4800 and managed to sustain above it. As per the technical aspects based on the current price action, the market is expected to continue its bullish trend. If prices manage to sustain above it, then the upside rally could extend up to 5200 - 5300 levels in the upcoming sessions. Alternatively, if prices close below 4800 then the market might have a chance to turn bearish once again. The downside rally could test up to 4650 - 4500. Key support holds at 4800.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
MCXBULLDEX	24-Dec-21	INDEX	14069	-0.78%	16251/13513	13723	13897	14098	14272	14473	DOWN
MCXMETLDEX	22-Dec-21	INDEX	16639	0.14%	18511/13242	16321	16481	16670	16830	17019	DOWN
MCXENRGDEX	08-Dec-21	INDEX	5229	-7.02%	6729/4955	4503	4866	5318	5681	6133	DOWN
GOLD	04-Feb-21	10 GM	47903	-0.19%	51931/44108	46768	47335	47918	48485	49068	DOWN
SILVER	04-Mar-21	1 KG	61516	-2.20%	75501/58711	58821	60168	61958	63305	65095	DOWN
CRUDE OIL	17-Dec-21	Rs/bbl	5032	-2.50%	6428/3457	4293	4663	5075	5445	5857	DOWN
NG	28-Dec-21	Rs/mmBtu	318	-21.57%	485/176	254	286	339	371	424	DOWN
COPPER	31-Dec-21	1 KG	723	-0.47%	815/585	705	714	726	735	747	DOWN
NICKEL	31-Dec-21	1 KG	1551	0.35%	1641/1145	1485	1517	1564	1596	1643	MODERATE
LEAD	31-Dec-21	1 KG	184	-0.49%	196/155	182	183	184	185	186	MODERATE
ZINC	31-Dec-21	1 KG	269	0.09%	325/201	260	265	270	275	280	MODERATE
ALUMINIUM	31-Dec-21	1 KG	211	1.20%	258/159	207	209	211	214	216	MODERATE