

China's natural gas demand set to hit new record:

China's natural gas demand is expected to set a new record in 2021 as its economy emerges from the pandemic faster than most countries and it remains on track to meet its long-term environment protection targets, data from S&P Global Platts Analytics. S&P Global expects Chinese natural gas demand to reach 360 Bcm in 2021, up 8.4% from an estimated 332 Bcm in 2020. It was at 313 Bcm in 2019. Strong demand from both residential and industrial users will incentivize more domestic gas production and imports in 2021. China's domestic gas output is also on track to hit a record high, estimated to grow 7.3% in 2020, and by another 3% in 2021 to reach 200 Bcm, CNPC's ETRI expects China's gas output to reach 220-250 Bcm in 2025, up by 35-65 Bcm from 2020, implying an annual growth rate of around 3%-7%, Platts calculations showed. Meanwhile, Platts Analytics forecasts that China's natural gas imports including pipeline gas and LNG will reach 163 Bcm in 2021, up around 18% year on year.

China's economic growth is expected to accelerate in 2021 on the back of successful suppression of the COVID-19 pandemic, industrial and manufacturing growth. The IMF forecasts China's GDP to grow by 8.2% in 2021, from 1.9% in 2020. (Source: <https://www.hellenicshippingnews.com/>)



Technical outlook:

MCX NATURALGAS (JAN) future technical chart has formed a "Descending channel pattern" pattern on the daily time frame. The Last few sessions ended up in sideways mode along with some corrections 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 202. The upside rally could test the level of 207-215 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 192-185 levels. Key support holds at 195.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
MCXBULLDEX	27-Jan-21	INDEX	15175	-3.28%	16447/14536	14391	14783	15517	15909	16643	DOWN
MCXMETLDEX	19-Jan-21	INDEX	13875	4.21%	13689/11940	13025	13450	13825	14250	14625	DOWN
GOLD	05-Feb-21	10 GM	48853	-2.75%	56191/38400	46826	47896	49886	50956	52946	DOWN
SILVER	05-Mar-21	1 KG	63855	-6.26%	77949/33580	58544	61199	66375	69030	74206	DOWN
CRUDE OIL	19-Jan-21	Rs/bbl	3789	7.46%	4670/795	3338	3570	3689	3921	4040	UP
NG	25-Jan-21	Rs/mmBtu	197.80	6.69%	251/110	182	190	196	205	211	UP
COPPER	29-Jan-21	1 KG	620.80	4.27%	629/336	585	604	618	636	650	MODERATE
NICKEL	29-Jan-21	1 KG	1296	6.63%	1335/785	1177	1236	1285	1344	1393	DOWN
LEAD	29-Jan-21	1 KG	157.95	1.38%	165/127	152	155	158	161	164	DOWN
ZINC	29-Jan-21	1 KG	221.05	2.91%	227/132	210	216	221	227	232	DOWN
ALUMINIUM	29-Jan-21	1 KG	164.95	2.45%	175/126	157	161	164	168	171	DOWN