

Thursday, 11 October 2018

**News, Views & Statistics**
**Oil Prices Struggle Ahead of Hurricane Michael**

Crude prices edged lower on Wednesday, as investors watched Hurricane Michael, which has intensified to Category 4 storm and was barreling down on Florida. Some of the storm's most significant early impact was to offshore energy production. U.S. producers in the Gulf cut oil production by about 40%, the Bureau of Safety and Environmental Enforcement said, as they evacuated personnel from 75 platforms in the region. November WTI crude, the U.S. benchmark contract, slumped 74 cents, or around 1%, to \$74.22 a barrel at 10:00 AM ET (1400 GMT) on the NYMEX. Meanwhile, international benchmark Brent crude oil futures were at \$84.20 a barrel on ICE Futures Europe, down 80 cents, or about 0.9%, as traders weighed the impact of pending U.S. sanctions on Iranian crude exports. U.S. sanctions will target Iran's crude oil exports from Nov. 4 and Washington has been putting pressure on governments and companies worldwide to cut their imports to zero. The sanctions are being reinstated after U.S. President Donald Trump pulled out of the Iran nuclear deal earlier this year. Iran is the third-biggest producer in the OPEC, supplying around 2.5 million bpd of crude and condensate to markets this year, equivalent to around 2.5% of global consumption. Looking ahead, oil traders were awaiting inventory reports that were set to be released a day later due to the Columbus Day holiday, observed on Monday. The API's report is due out later Wednesday, while the EIA's data come out Thursday. Analysts expect the EIA to report a climb of roughly 2.6 million barrels in crude inventories for the week ended Oct. 5

**Maharashtra govt. to start procurement kharif crops at MSP**

Maharashtra government has approached the Centre and sought permission for procurement of kharif crop Pulses and soybean at MSP. The Maharashtra government has commenced online registrations for farmers as part of the process of procurement of Moong, Urad and soybean at MSP. The registration process has begun from September 25. Last year, some 88 centres were opened in 23 districts of the state for procurement of 10 lakh quintal of soybean, 3.70 lakh quintal of Urad and 3, 47,500 quintal of Moong. The government has set parameters of 12% moisture content for the procurement of these Pulses. Moong is currently trading at Rs 3,800 per quintal to Rs 5,400 per quintal in the state while the MSP has been fixed at Rs 6,975 per quintal. Urad is trading at Rs 3,800 per quintal to Rs 4,450 per quintal when the MSP is Rs 5,600 per quintal, MSP of Soybean has fixed at 3,390 per quintal. According to senior government officials, the production of Moong is expected to be 14.7 lakh quintals and proposed procurement is 4 lakh quintals. For Urad, the expected production is 14.7 lakh quintals and proposed procurement is 3.50 lakh quintals. For Soybean, expected production is 450 lakh quintals and procurement is expected to be around 25 lakh quintals.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38481	38122	38302	38515	38695	38908	Down
GOLD	31384	31221	31302	31349	31430	31477	Up
CRUDE OIL	5454	5319	5387	5481	5549	5643	Up
COPPER	458.60	454.10	456.30	460.40	462.60	466.70	Sideways
NATURAL GAS	243.20	237.50	240.40	245.10	248.00	252.70	Up
JEERA	19430	19010	19220	19380	19590	19750	Down
TURMERIC	6656	6548	6602	6632	6686	6716	Sideways
SOYBEAN	3220	3201	3211	3219	3229	3237	Down
RM SEED	4146	4123	4135	4157	4169	4191	Down
GUAR SEED	4266	4183	4225	4267	4308	4350	Up

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1189.31	-0.03
LONDON SPOT SILVER	\$14.30	-0.56
NYMEX CRUDE OIL	\$73.35	-1.77
NYMEX NATURAL GAS	\$3.263	-1.33

### Economic Data

Data	Previous	Forecast	Time
CPI m/m	0.2%	0.2%	6:00pm
Core CPI m/m	0.1%	0.2%	-
Jobless Claim	207K	207K	-
NG Inv.	+98B	+87B	8:00pm
Crude oil Inv.	+8.0M	2.3M	8:30pm

### RECOMMENDATIONS

#### CRUDE OIL

**CRUDE OIL OCT: SELL AT 5470-5475 TP-5403 SL ABOVE 5517.**



As forecasted in our last update, crude oil bulls finally got a bit tired yesterday and lost the positive momentum. We are expecting a follow-up session today.

# SOYAOIL

**SOYAOIL NOV: TRADING RANGE 746.00 – 755.00.**



Wait for our intraday trading strategy.

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