

Natural Gas ETFs Jump on Potential Shift in Weather Conditions:

Natural gas prices and related exchange traded funds jumped, Friday, bringing some relief to an extended eight week winter sell-off, as weather conditions hinted at a colder outlook toward the end of January.

The United States Natural Gas Fund (NYSEArca: UNG) was among the best performing non-leveraged ETFs, rising 2.5% on Friday, while the Nymex natural gas futures rose 2.0% to \$2.21 per million British thermal units.

“The overall theme the last couple of days has remained consistent...which suggests that we are heading into a period where colder risks have a better chance to finally become reality,” according to Bespoke Weather Services. Bespoke Weather Services shifted its forecast colder for the Midwest and Northeast regions through the January 18-19 weekend, which would raise national heating demand to near-normal levels, Natural Gas Intelligence reports.

“Time after time, as expected cooler weather drew closer, it disappeared. It would not be surprising if this pattern were to be repeated again now,” according to EBW Analytics Group.

9-NATURALGAS.Rolling - 10/01/20
SMA(CloseLine:54)



Technical outlook:

MCX NATURALGAS (JAN) future prices has given breakout of “Descending Broadening Wedge” Pattern on a daily chart. The last session ended in Bullish trend after taking bounce from support level of 150. The market is expected to continue the bullish momentum based on the current price action. Once the prices break and sustain above the major resistance holding at 160 then the upside rally could test 168-174 in the upcoming trading sessions. Alternatively, if the resistance holds strong then the market might turn bearish once again and the downside rally could test 151-142 levels. Key resistance holds at 160.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
GOLD	05-Feb-20	10 GM	39878	-0.63%	41293/36098	38520	39200	40250	40920	41200	UP
SILVER	05-Mar-20	1 KG	46890	-1.33%	50672/41429	44800	45830	47380	48450	50000	UP
CRUDE OIL	17-Jan-20	Rs/bbl	4206	-6.78%	4692/3825	3850	4025	4348	4525	4850	MODERATE
NG	28-Jan-20	Rs/mmBtu	158	2.80%	210/149	147.6	152.9	156	161.2	164.2	MODERATE
COPPER	31-Jan-20	1 KG	447	1.12%	454/433	435	441	447.5	453.5	460	DOWN
NICKEL	31-Jan-20	1 KG	1044	2.06%	1075/958	1006	1025	1036	1054	1066	MODERATE
LEADMINI	31-Jan-20	1 KG	151.25	-0.72%	160/150	149.5	150.3	151.6	152.5	153.85	DOWN
ZINCMINI	31-Jan-20	1 KG	181	0.33%	195/178	177.30	179.10	182	183.3	186.70	DOWN
ALUMINI	31-Jan-20	1 KG	141.9	1.61%	142/130	136.4	139.1	140.7	143.5	145.10	UP