

Friday, 14 December 2018

News, Views & Statistics
IEA Says OPEC's Unplanned Supply Losses Could Double Its Cut

Unplanned supply losses from members Iran and Venezuela could effectively double the intended cutback of 800,000 barrels a day the cartel pledged last week, according to the International Energy Agency. There's a precedent for this: It was the Latin American country's collapsing oil industry that accelerated OPEC's effort to clear a supply glut in 2017. This time, U.S. sanctions on the Persian Gulf nation could amplify that effect. OPEC production may decline by 1.4 million barrels a day from October levels to 31.5 million a day during the first quarter and then slip further to 31.2 million in the second, according to the IEA's monthly oil market report. The reduction, which the agency says is an assumption rather than a forecast, includes both the planned OPEC cutback of 800,000 barrels a day, plus involuntary losses of 600,000 barrels a day in the first quarter from Iran and Venezuela -- both of whom are exempt from making voluntary cuts. In the second quarter, the pair's reduction will rise to 900,000 barrels a day, the IEA said. If the agency's assumptions are correct, global oil inventories could shrink substantially in the second quarter, a phenomenon that's often accompanied by rising prices.

Govt procures 33.14 lakh tons of Pulses so far in 2018-19

Government has procured about 13.14 lakh tons, 18.32 lakh tons, and 33.14 lakh tons of pulses from the farmers at Minimum Support Price (MSP) during 2016-17, 2017-18 and 2018-19 (upto 03.12.18) respectively, according to data from the ministry of State for Consumer Affairs, Food & Public Distribution. Of the total stock of pulses procured by the Union Government, 34.88 lakh tons is offered to States/ Union Territories for utilization under various welfare schemes like Mid-day-Meal (MDM), Integrated Child Development Services (ICDS), Public Distribution System (PDS), etc. with the Central Subsidy of Rs 15/- per Kg. This subsidy will be available to States/ Union Territories on the aforesaid stock up to September 2019 or till this stock lasts, whichever is earlier. Some of the States/ Union Territories have indicated their requirement of pulses under this scheme, the ministry said. As of now, the discounted price offered by the Union Government is below the procurement cost. The discount offered on the stock would entail a subsidy outgo of Rs 5232 crores on 34.88 lakh tons of pulses. Based on the requests of the States/ Union Territories, the Union Government procures up to 25% of the actual production of pulses from the farmers at MSP in the respective States/ Union Territories under the Price Support Scheme (PSS), the ministry said.

| COMMODITY | CLOSE | S2 | S1 | PIVOT | R1 | R2 | TREND |
|-------------|--------|--------|--------|--------|--------|--------|----------|
| SILVER | 38327 | 38060 | 38193 | 38358 | 38491 | 38656 | Up |
| GOLD | 31518 | 31358 | 31438 | 31568 | 31648 | 31778 | Up |
| CRUDE OIL | 3697 | 3578 | 3638 | 3675 | 3735 | 3772 | Reversal |
| COPPER | 442.80 | 439.10 | 441.00 | 444.10 | 445.90 | 449.00 | Down |
| NATURAL GAS | 306.80 | 283.90 | 295.30 | 301.70 | 313.10 | 319.50 | Up |
| JEERA | 18365 | 18045 | 18205 | 18435 | 18595 | 18825 | Reversal |
| TURMERIC | 6764 | 6384 | 6574 | 6670 | 6860 | 6956 | Up |
| SOYBEAN | 3373 | 3347 | 3360 | 3382 | 3395 | 3417 | Reversal |
| RM SEED | 4008 | 3978 | 3993 | 4020 | 4035 | 4062 | Down |
| GUAR SEED | 4417 | 4388 | 4403 | 4428 | 4443 | 4468 | Up |

International Markets

| COMMODITY | CLOSE | % CHANGE |
|--------------------|-----------|----------|
| LONDON SPOT GOLD | \$1242.81 | -0.21 |
| LONDON SPOT SILVER | \$14.75 | +0.14 |
| NYMEX CRUDE OIL | \$51.80 | +0.78 |
| NYMEX NATURAL GAS | \$4.163 | +4.08 |

Economic Data

| Data | Previous | Forecast | Time |
|-------------------|----------|----------|--------|
| Core Retail Sales | 0.7% | 0.2% | 7:00pm |
| Retail Sales m/m | 0.8% | 0.1% | 9:00pm |

RECOMMENDATIONS

COPPER

COPPER FEB: TRADING RANGE 437.50 – 451.00

COPPER 1902(MXCOPG9)2018/12/13 - Daily B:443.40 A:443.50
O 444.10 H 447.20 L 442.25 C 443.55 ↓ V 27,292 T 12,132,243 I 12,090 +0.7 +0.16%



Wait for our intraday trading strategy.

JEERA

JEERA JAN: TRADING RANGE 17950 – 18580.



Wait for our intraday trading strategy.

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