

Tuesday, 16 April 2019

News, Views & Statistics
Oil Prices Head Lower on Increased U.S. Drilling Activity, Russian Hints

Oil prices traded lower on Monday after logging their longest stretch of weekly gains in nearly three years, with signs of profit-taking emerging on reports that Russia wants to end the current deal on output restraint in June. New York-traded West Texas Intermediate crude futures fell 57 cents, or 0.9%, at \$63.32 a barrel by 8:42 AM ET (12:42 GMT), pulling back from last week's five-month high of \$64.79. Meanwhile, Brent crude futures, the benchmark for oil prices outside the U.S., traded down 59 cents, or 0.8%, to \$70.96. Data from Baker Hughes showed on Friday that the weekly rig count rose by two units last week after the previous week's 15-rig climb. The longer oil prices stay at their current elevated levels, the likelier it is that U.S. shale producers will increase output, offsetting OPEC-led efforts to reduce supply. U.S. production is running at record highs, with the latest data from the Energy Information Administration showing output of 12.2 million barrels a day. But unscheduled reductions in supply from Iran and Venezuela have largely offset that in recent weeks, and three other oil-exporting nations - Libya, Algeria and Sudan - are experiencing various degrees of political uncertainty due to government transitions. Reuters reported Russian sources last week as saying that they were reluctant to extend the output cuts agreement against that backdrop, wary of over-tightening the market. The International Energy Agency said in its monthly report last week that it expects the global market to flip into deficit in the current quarter, as the global economy comes out of its soft patch.

SOPA to urge govt to stop GM de-oiled cake import

The Soybean Processors Association of India (SOPA) seeks to urge the government to stop the import of genetically modified (GM) de-oiled cake (DOC) into the country. The DOC is imported only to be exported to Iran, but the import of GM crops and products is not allowed in India. Most of the arrivals have happened at Kandla port, SOPA said. At least 2 lakh tons of GM oilcake might have landed in the country in the last few weeks, the association said. Processors extract as much as 18 kg of oil from 100 kg (quintal) of soybean. The protein-rich mass and other solid matter left after extraction is used in the animal feed industry and is popularly known as DOC or soya meal. DOC is an exportable commodity that earns the processors foreign exchange. Indian soya meal, due to its non-GM nature, has a niche market worldwide. Last year, the country had recorded export of 20 lakh tons of DOC. For the current oil year, SOPA data shows that 45.36 lakh tons of the meal was produced, up from 40.50 lakh tons last year. Exports of de-oiled cake from India till March 2019 totaled 15.266 lakh tons as compared to 10.44 lakh tons in the corresponding period last year.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	37270	36719	36994	37167	37442	37615	Down
GOLD	31849	31607	31728	31801	31922	31995	Down
CRUDE OIL	4401	4354	4378	4400	4424	4446	Up
COPPER	450.35	446.20	448.30	449.70	451.80	453.20	Down
NATURAL GAS	181.10	179.00	180.00	182.20	183.20	185.40	Up
JEERA	16560	16370	16465	16540	16635	16710	Up
TURMERIC	6376	6208	6292	6452	6536	6696	Up
SOYBEAN	3749	3690	3719	3765	3794	3840	Up
RM SEED	3787	3762	3775	3798	3811	3834	Down
GUAR SEED	4456	4407	4431	4466	4491	4526	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1290.95	+0.14
LONDON SPOT SILVER	\$14.94	+0.27
NYMEX CRUDE OIL	\$63.42	-0.74
NYMEX NATURAL GAS	\$2.597	-2.37

Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

RECOMMENDATIONS

NG

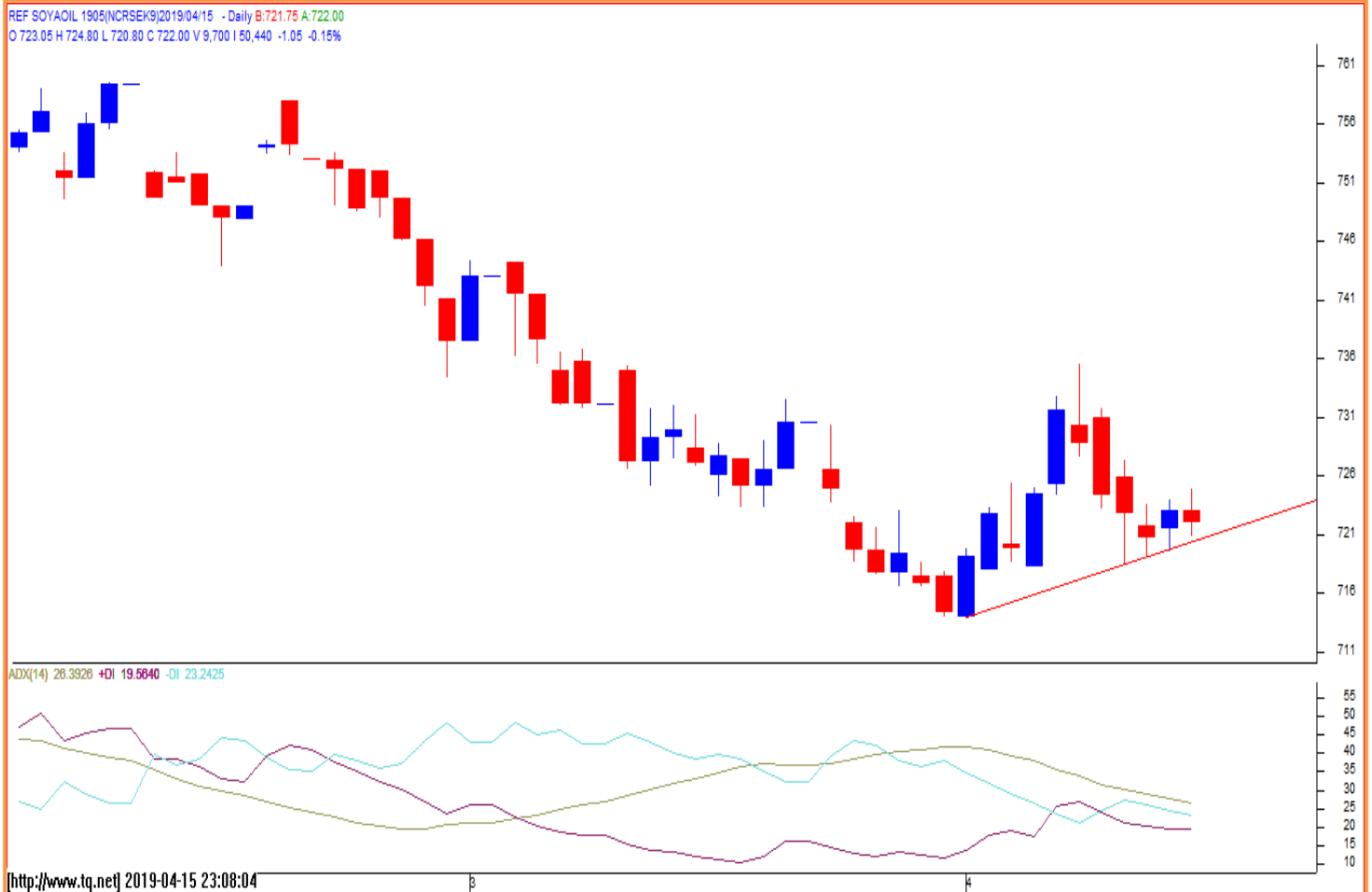
NG APR: SELL AT 183.50-183.60 TP-178.20 SL ABOVE 187.10.



Bears are dominating NG these days without any challenge from bulls as the fuel is continuously forming negative candlesticks on technical charts. Sell on rise.

SOY OIL

SOYOIL MAY: BUY ABOVE 725 TP-731 SL BELOW 721.



Soy oil is trying to come out of sluggish range as it is still trading within the larger weekly bullish candlestick despite being in low momentum. Buy on breakout.

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Contact

SMS: 'Arihant' to 56677

Websitewww.arihantcapital.com**Email Id**research@arihantcapital.com**ARIHANT Capital Markets Ltd**Commodity/Currency Research Desk: 6, Lad Colony, Y.N. Road Indore-3
T: 0731-4217191. Fax: 0731-4217103Corporate Office: 1011, Solitaire Corporate Park, Building No.10, 1st Floor,
Andheri Ghatkopar Link Road, Chakala, Andheri (East), Mumbai-400093
D. +91.22.42254800 and 67114800
www.arihantcapital.com

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