

Friday, 19 October 2018

**News, Views & Statistics**

**Oil Prices Continue Decline on Supply Worries, Brent Loses \$80 handle**

Oil prices continued the downward trend for a second session on Thursday after data released a day earlier showed an unexpected build in U.S. crude stockpiles, while geopolitical tensions, the upcoming deadline for U.S. sanctions on Iran and continuing concern over production have all been factors involved in recent market volatility. New York-traded West Texas Intermediate crude futures fell 56 cents, or 0.80%, at \$69.19 a barrel by 10:24 AM ET (14:24 GMT), adding to losses of 2.82% a day earlier. Meanwhile, Brent crude futures, the benchmark for oil prices outside the U.S., traded down 71 cents, or 0.89%, to \$79.34, losing the \$80 handle. The U.S. Energy Information Administration said on Wednesday that U.S. crude stocks surged by 6.5 million barrels last week, marking the fourth straight week of increases. Exports fell to 1.8 million bpd. The increase in inventories offset a slip in U.S. crude production of 300,000 bpd to 10.9 million bpd over the same period after some of the offshore facilities were shut down for Hurricane Michael. In other energy trading, gasoline futures slumped 1.53% to \$1.8955 a gallon by 10:27 AM ET (14:27 GMT), while heating oil dropped 0.36% to \$2.3027 a gallon. Lastly, natural gas futures traded down 2.17% to \$3.248 per million British thermal units.

**Malaysia biodiesel output, exports may hit record high in 2018**

Malaysian biodiesel production is likely to hit record levels this year and next. The 2018 exports are on track to double from 2017, pushed up as higher oil prices boost the appeal of biofuels, the Malaysian Biodiesel Association said. "Malaysian biodiesel production might hit 900,000 tons and exports 475,000 tons if the current price differential between crude palm oil and gasoil remains," the association said. The Southeast Asian nation is the world's No. 2 producer of palm oil, which can be used as feedstock to make the bio components of biodiesel. Malaysia churned out 720,410 tonnes of biodiesel in 2017 and exported 235,291 tons, according to local data. The country said in July that it would raise its so-called biodiesel mandate next year to 10% from the current 7%. The mandate refers to the percentage of bio-content that must be contained in biodiesel. Diesel's premium over palm oil has widened in recent months amid stronger crude prices and weaker palm markets. Its spread over palm hit \$219 per ton in early October, its widest in four years, and was around \$178 on Wednesday, the association said.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	38347	38604	38782	39039	39217	38347	Down
GOLD	31720	31877	31984	32141	32248	31720	Up
CRUDE OIL	5008	5060	5096	5148	5184	5008	Up
COPPER	443.60	446.40	448.40	451.20	453.20	443.60	Sideways
NATURAL GAS	234.30	236.10	239.00	240.80	243.70	234.30	Up
JEERA	20250	19740	19995	20140	20395	20535	Down
TURMERIC	6532	6438	6486	6528	6576	6618	Sideways
SOYBEAN	3302	3231	3267	3288	3324	3345	Down
RM SEED	4186	4129	4157	4179	4207	4229	Down
GUAR SEED	4543	4316	4429	4497	4610	4678	Up

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1224.58	+0.19
LONDON SPOT SILVER	\$14.58	-0.14
NYMEX CRUDE OIL	\$69.39	-0.90
NYMEX NATURAL GAS	\$3.256	-1.75

### Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

## RECOMMENDATIONS

### COPPER

**COPPER NOV: TRADING RANGE 442.50 -455.50.**



Wait for our intraday trading strategy.

## GUARSEED

**GUARSEED NOV: BUY AT 4510-4505 TP-4577/4633 SL BELOW 4465.**



Guarseed was once again on a high momentum track on Wednesday as it bounced back sharply after declining for few days. Buy on small dips.

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