

**Change in Weather Model Send Natural gas Prices Below \$2.00:**

Natural gas prices tumbled lower on Friday breaking down and closing below trend line support. Prices dropped nearly 9% on the week, as colder than normal weather quickly faded. The EIA reports that production will exceed consumption in 2020, and put further downward pressure on prices. The weather is expected to become warmer than normal over the next 6-10 days and then to moderate but remain warmer than normal over the next 8-14 days. Demand declined in the latest week driven by contraction in the need for power.

Weekly natural gas prices broke down as the Feb contract fell nearly 9%. Prices broke through trend line support and appear to be headed for the 2016 lows near 1.61. Short term resistance is seen near the weekly breakdown level at 2.03.

9-NATURALGAS.Rolling - 17/01/20  
SMA(CloseLine:54)



**Technical outlook:**

MCX NATURALGAS (JAN) future prices has broken the trend-line support level of “Descending Channel” Pattern on a daily chart. The last session ended in a Bearish tone after taking reversal from the resistance level of 160. The market is expected to continue the Bearish momentum based on the current price action. Once the prices break and sustain below the major support holding at 138 then the downside rally could test 132-125 in the upcoming trading sessions. Alternatively, if the support holds strong then the market might turn bullish once again and the upside rally could test 150-158 levels. Key support holds at 138.

@ 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	39973	0.24%	41293/36098	39009	39477	39730	40198	40451	UP
SILVER	05-Mar-20	1 KG	46779	-0.24%	50672/41429	45352	46050	46510	47200	47670	UP
CRUDE OIL	19-Feb-20	Rs/bbl	4163	-1.12%	4663/4050	3998	4080	4150	4240	4320	MODERATE
NG	28-Jan-20	Rs/mmBtu	142.9	-9.56%	210/143	131	136.80	148.4	154.4	166	DOWN
COPPER	31-Jan-20	1 KG	455.45	1.89%	459/433	441	448	454	460	466	UP
NICKEL	31-Jan-20	1 KG	1026	-1.69%	1075/958	981	1002	1029	1050	1077	MODERATE
LEADMINI	31-Jan-20	1 KG	151.9	0.43%	160/150	149.2	150.5	151.8	153.1	154.5	DOWN
ZINCMINI	31-Jan-20	1 KG	183.8	1.55%	195/178	179.2	181.5	182.8	185.2	186.5	UP
ALUMINI	31-Jan-20	1 KG	140.45	-1.02%	142/130	138.1	139.3	140.8	142	143.5	UP