

Tuesday, 21 May 2019

News, Views & Statistics
Oil Agencies: IEA Stands Alone in Seeing Stockpiles Grow in 2019

Oil prices steadied near multi-week highs on Monday as OPEC indicated it was likely to maintain production cuts that have helped boost prices this year, while escalating Middle East tensions provided further support. Brent crude was up by 10 cent to \$72.31 a barrel by 1246 GMT, having earlier touched \$73.40, the highest since April 26. U.S. West Texas Intermediate crude was down 10 cents at \$62.66 a barrel, after hitting a three-week high of \$63.81. Saudi Energy Minister Khalid al-Falih said on Sunday there was consensus among the Organization of the Petroleum Exporting Countries (OPEC) and allied oil producers to drive down crude inventories "gently" but he would remain responsive to the needs of a "fragile market". United Arab Emirates Energy Minister Suhail al-Mazrouei earlier told reporters that producers were capable of filling any market gap and that relaxing supply cuts was not the right decision. OPEC data indicates oil inventories in the developed world rose by 3.3 million barrels month-on-month in March, and were 22.8 million barrels above their five year average. A gathering of the so-called Joint Ministerial Monitoring Committee (JMMC) in Saudi Arabia over the weekend did not make any solid recommendations, leaving a decision on policy for a meeting of OPEC and its allies next month in Vienna. "While not explicitly mentioned in the statement (of the JMMC), uncertainty on how many Iranian and Venezuelan oil barrels will be lost due to U.S. sanctions was probably the main reason the group kicked the can down the road," UBS analyst Giovanni Staunovo said. OPEC, Russia and other non-member producers, an alliance known as OPEC+, agreed to cut output by 1.2 million barrels per day (bpd) from Jan. 1 for six months to try to prevent inventories from increasing and weakening prices. Adding to the bullish sentiment is rising tensions in the Middle East.

Kharif Pulses, Oilseeds procurement reach 1.8 MT so far

The government has so far procured 1.8 million tons of kharif season pulses and oilseeds, which is less than half of the sanctioned procurement quantity of 3.78 million tons, even as procurement ends this month. National Agricultural Cooperative Marketing Federation of India Ltd (Nafed), the government agency that buys pulses and oilseeds from farmers, attributed low procurement to lower than expected production and firm prices of a few pulses. Last year, the government had purchased a record 2.55 million tons of pulses and oilseeds, achieving 75% of the targeted 3.36 million tons of summer harvest. The procurement of winter pulses and oilseeds, which is likely to be completed by July this year, is also showing slow progress. As on May 15, the government has bought 1.09 million tonnes as against the sanctioned 4.55 million tons, according to data from Nafed.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	36379	35960	36169	36310	36519	36660	Reversal
GOLD	31546	31231	31388	31534	31691	31837	Reversal
CRUDE OIL	4366	4277	4322	4388	4433	4499	Down
COPPER	422.45	416.80	419.60	422.50	425.40	428.30	Down
NATURAL GAS	187.20	182.10	184.60	186.60	189.10	191.10	Up
JEERA	17710	17510	17610	17765	17865	18020	Up
TURMERIC	7142	6990	7066	7128	7204	7266	Up
SOYBEAN	3699	3618	3658	3696	3736	3774	Sideways
RM SEED	3905	3854	3880	3902	3928	3950	Sideways
GUAR SEED	4397	4358	4378	4405	4425	4452	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1276.80	-0.07
LONDON SPOT SILVER	\$14.45	+0.14
NYMEX CRUDE OIL	\$62.89	-1.38
NYMEX NATURAL GAS	\$2.694	+1.93

Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

RECOMMENDATIONS

COPPER

COPPER JUNE: SELL AT 423.50 -424.00 TP-418.00 SL ABOVE 428.00.



Copper is looking set to continue its bearish run despite a intraday bounce back seen yesterday.

JEERA

JEERA JUNE: BUY ABOVE 17800 TP-18025 SL BELOW 17660.



Jeera is likely to break above temporary resistance and ignite another wave of rally.

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