

Friday, 21 December 2018

News, Views & Statistics
Oil At New 16-Month Lows Despite Whispers of Sharper Saudi Cuts

Here's some advice to OPEC: Save your production cut surprises and announce them in the New Year because the market just doesn't seem to be in the mood to listen right now. Saudi Arabia plans to curb its oil output by more than it committed in a recent OPEC pact, The Wall Street Journal reported on Thursday, citing documents that revealed the cartel's efforts to be more transparent about its production since its announcement two weeks ago of a 1.2 million barrels-per-day cut. Instead of responding positively, oil prices fell. West Texas Intermediate crude lost more than 3%, wiping out Wednesday's gains built on a modest U.S. stockpile draw, and a Fed hike rate -- which, if anything, should have driven prices lower. By 11:42 AM ET (16:42 GMT), WTI was down \$2, or 4.2%, at \$46.17 per barrel after plumbing an August 2017 low of \$45.68. It had risen 2% on Wednesday. U.K. Brent, the global oil benchmark, was down \$2.16, or 4%, at \$54.56 per barrel after making a Sept 2017 low of \$56.87. With just six trading sessions left for 2018, bears appear to be in ultimate control of the moves in oil, with any positive news regarded as noise or drowned out in the year-end countdown chorus. "You would think that demand along with a major production cut from OPEC and its co-conspirators the Russians, would have the market fearful of a shortfall of supply in the New Year," wrote Phil Flynn, senior market analyst for energy at The Price Futures Group brokerage in Chicago.

Coriander prices may rise as sowing acreage declines

Coriander prices likely to rise next year as the sowing area of the spice in the major producing states declined due to inadequate rainfall and low prices. "Overall, around a 40% fall in production is expected in the next crop, which will be harvested by February. In Gujarat, many farmers have shifted to cumin from coriander," industry sources said. The absence of sufficient rains in the main growing regions appears to have affected sowing of coriander, with growers opting for crops that require less water. Low prices during the year also discouraged farmers from increasing sowing of coriander. Futures prices on the NCDEX had fallen below Rs 50 per kg several times. The sowing area was lower last year, too, although the yield was good, according to traders. Spices Board data showed coriander production in the country reached 866,000 tons in 2017-18. The stock carried over this year was about 250,000 tons, down from over 300,000 tons a year earlier, when traders had purchased large quantities fearing a shortfall. Unlike many other spices, the bulk of coriander is consumed in the country and less than 10% is exported. Overseas shipments touched 35,185 tons, valued at Rs 272.74 crore, in 2017-18.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	37532	36987	37260	37457	37730	37927	Up
GOLD	31275	30911	31093	31184	31366	31457	Up
CRUDE OIL	3255	3134	3195	3272	3333	3410	Reversal
COPPER	420.15	413.00	416.60	419.50	423.10	426.10	Down
NATURAL GAS	255.90	240.50	248.20	262.50	270.20	284.50	Up
JEERA	17970	17770	17870	18030	18130	18290	Reversal
TURMERIC	6650	6556	6604	6686	6734	6816	Up
SOYBEAN	3356	3333	3345	3359	3371	3385	Reversal
RM SEED	4023	3945	3984	4004	4043	4063	Down
GUAR SEED	4303.5	4239	4271	4295	4327	4351	Up

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1263.20	+1.66
LONDON SPOT SILVER	\$14.79	+1.37
NYMEX CRUDE OIL	\$46.18	-2.55
NYMEX NATURAL GAS	\$3.599	-1.40

Economic Data

Data	Previous	Forecast	Time
Core Durable	0.2%	0.3%	7:00pm
Final GDP q/q	3.5%	3.5%	8:30pm
Personal Spend.	0.6%	0.3%	-

RECOMMENDATIONS

CRUDE OIL

CRUDE OIL JAN: TRADING RANGE 3120 - 3310.



Wait for our intraday trading strategy.

MENTHA OIL

MENTHA OIL DEC: BUY AT 1501-1500 TP-1520/1537 SL BELOW 1487.



Mentha oil bounced back after a consolidation that lasted for a few days. The highly speculative commodity is likely to take an upturn from here.

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