

Wednesday, 22 May 2019

**News, Views & Statistics**
**Oil Prices Push Higher on Production Cut Hopes, Trade Fears Cap Gains**

Oil prices pushed higher on Tuesday on indications that the Organization of Petroleum Exporting Countries and its allies will extend production cuts beyond June, but gains were held in check amid ongoing concerns over the escalating Sino-U.S. trade war. Global benchmark Brent crude futures were up 0.42% or 30 cents at \$72.26 a barrel by 08:31 AM ET (12:31 GMT). U.S. crude futures rose 0.49% or 31 cents to trade at \$63.52 per barrel. Oil prices remained supported after Saudi Arabia's energy minister urged the OPEC+ coalition to "stay the course" on output limits after a meeting in Jeddah over the weekend. An OPEC meeting has been scheduled for June 25-26, but the group is now considering moving the event to July 3-4, according to reports on Monday. Prices were also underpinned as rising geopolitical tensions in the Middle East stoked fears over supply disruptions. "Escalating tensions between the U.S. and Iran, in addition to signs that OPEC will continue its production cuts, drove oil higher," said Jasper Lawler, head of research at futures brokerage London Capital Group. U.S. President Donald Trump on Monday threatened Iran with "great force" if it attacked U.S. interests in the Middle East. This came after a rocket attack in Iraq's capital Baghdad, which Washington suspects was organized by militia with ties to Iran. Iran said on Tuesday that it would resist U.S. pressure, declining further talks under current circumstances. Oil's gains were however damped by fears that the escalating trade war between the U.S. and China will act as a drag on global expansion and crimp energy demand. Earlier Tuesday, the Organization for Economic Co-operation and Development cut its estimate for global growth in 2019 to 3.2%, from 3.3% and warned that the trade spat between Beijing and Washington is the main threat to the growth outlook. At 5:30 PM ET, the American Petroleum Institute will release its weekly review of U.S. oil stocks. Analysts estimate the government's weekly data will show a draw of 2.53 million barrels from crude inventories last week.

**India's Soybean crop area set to rise as prices rally**

India is set to grow soybeans on more land in the 2019 crop year as higher prices for the oilseed push some farmers to switch from cultivating competing commodities such as cotton and pulses, a top official of the Soybean Processors Association of India (SOPA) told Reuters. Increased production of India's main summer-sown oilseed could help the world's biggest vegetable oil importer trim costly purchases from Brazil, Argentina, Indonesia and Malaysia. It could also help boost Indian exports of animal feed ingredient soy meal to places such as Bangladesh, Japan, Vietnam and Iran, the official said. Soybeans have been cultivated on 10.8 million hectares in the 2018 crop year, up 6.7 percent from the year before, according to data compiled by SOPA.

| COMMODITY   | CLOSE  | S2    | S1    | PIVOT | R1    | R2    | TREND    |
|-------------|--------|-------|-------|-------|-------|-------|----------|
| SILVER      | 36307  | 36109 | 36208 | 36279 | 36378 | 36449 | Reversal |
| GOLD        | 31430  | 31295 | 31363 | 31443 | 31511 | 31591 | Reversal |
| CRUDE OIL   | 4407   | 4348  | 4378  | 4419  | 4449  | 4490  | Down     |
| COPPER      | 420.25 | 416.1 | 418.2 | 421.4 | 423.5 | 426.7 | Down     |
| NATURAL GAS | 182.3  | 179.3 | 180.8 | 183.6 | 185.1 | 187.9 | Up       |
| JEERA       | 17665  | 17535 | 17600 | 17705 | 17770 | 17875 | Up       |
| TURMERIC    | 7278   | 7057  | 7167  | 7251  | 7361  | 7445  | Up       |
| SOYBEAN     | 3709   | 3666  | 3688  | 3707  | 3729  | 3748  | Sideways |
| RM SEED     | 3898   | 3872  | 3885  | 3899  | 3912  | 3926  | Sideways |
| GUAR SEED   | 4414   | 4377  | 4396  | 4412  | 4431  | 4447  | Down     |

### International Markets

| COMMODITY          | CLOSE     | % CHANGE |
|--------------------|-----------|----------|
| LONDON SPOT GOLD   | \$1273.66 | -0.14    |
| LONDON SPOT SILVER | \$14.42   | +0.00    |
| NYMEX CRUDE OIL    | \$63.07   | -0.61    |
| NYMEX NATURAL GAS  | \$2.628   | -1.76    |

### Economic Data

| Data           | Previous | Forecast | Time   |
|----------------|----------|----------|--------|
| Crude Oil Inv. | +5.4M    | -        | 8:00pm |

### RECOMMENDATIONS

#### CRUDE OIL

**CRUDE OIL JUNE: TRADING RANGE 4340 - 4430.**

CRUDEOIL 1906(MXCROM9)2019/05/21 - Daily B:4403.00 A:4404.00  
O 4430.00 H 4461.00 L 4390.00 C 4404.00 V 158,044 T 69,978,261 I 20,679 +4 +0.09%



The trend is indecisive in this metal counter. Wait for our intraday trading strategy.

# CASTOR

**CASTOR JUNE: TRADING RANGE 5620 -5744.**

CASTOR SEED NEW 1906(NCCTNM9)2019/05/21 - Daily B:5728.00 A:5740.00  
O 5790.00 H 5790.00 L 5716.00 C 5728.00 V 43,675 I 214,390 -38 -0.66%



The trend is indecisive in this agro counter. Wait for our intraday trading strategy.

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