

Wednesday, 24 July 2019

News, Views & Statistics
Oil prices ease as traders weigh Middle East tensions, demand

Oil prices edged higher on Tuesday amid lingering concerns about possible supply disruptions in the Middle East, but an overall weaker demand outlook kept a lid on gains, helped by a vow by the IEA to take swift action to keep global oil markets adequately supplied. Brent crude futures rose 12 cents, or 0.19%, to \$63.38 a barrel by 0542 GMT. The international benchmark rose more than 1% in the previous session, following Iran's seizure of a British tanker last week that stoked fears of supply disruptions from the energy-rich Gulf. WTI crude futures were up 7 cents at \$56.29 per barrel. "Downward revisions on global oil demand, along with rising challenges in the macroeconomic environment, have capped bullish gains for oil prices," said Benjamin Lu Jiaxuan, commodities analyst at Singapore-based Phillip Futures. Meanwhile, the IEA said it was closely monitoring developments in the Strait of Hormuz as relations between Iran and Britain remain tense. "The IEA is ready to act quickly and decisively in the event of a disruption to ensure that global markets remain adequately supplied," it said, adding that executive director Fatih Birol has been in talks with IEA members, associate governments and other nations. The oil market is currently well supplied, with oil production exceeding demand in the first half of 2019, pushing up global stocks by 900,000 bpd, the IEA said in a statement. That comes against the backdrop of the OPEC and some non-affiliated producers, including Russia, withholding supplies since the start of the year to prop up prices. The potential for disruption in the Middle East has come amid a more fundamental souring of market sentiment in recent days, with hedge funds, producers and traders all taking a more bearish tack in response to what they see as weakness in worldwide demand. "I'm struggling to identify a clear direction at the moment but, I'm becoming increasingly bearish due to non-OPEC supply and softening global demand."

Sugar mills owe Rs 15,850 cr to cane farmers

Sugar mills across the country owe around Rs 15,850 crore in sugarcane payment arrears as on July 16, the Government told Parliament. With dues worth Rs 9,792 crore, mills in Uttar Pradesh topped the list, followed by those in Maharashtra, which collectively owed Rs 1,231 crore to sugarcane farmers in the state, said Danve Raosaheb Dadarao, Minister of State for Food and Consumer Affairs, in the Rajya Sabha. Depressed sugar prices due to surplus production in the previous sugar season 2017-18 adversely affected the liquidity of sugar mills, resulting in the accumulation of cane price arrears of the farmers, the Minister said. The Government has extended many sops, including interest subvention on soft loans and reimbursement of the carrying cost of maintaining buffer stocks of 3 million tons of sugar, to help improve the liquidity of the sugar industry so that they can pay farmers the arrears, he said.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	41434	40532	40983	41269	41720	42006	Up
GOLD	35021	34755	34888	35019	35152	35283	Up
CRUDE OIL	3916	3821	3868	3900	3947	3979	Down
COPPER	451.2	446.8	449.0	452.4	454.6	458.0	Down
NATURAL GAS	159.8	157.2	158.5	159.6	160.9	162.0	Down
JEERA	17720	17430	17575	17790	17935	18150	Up
TURMERIC	6962	6810	6886	7038	7114	7266	Up
SOYBEAN	3608	3560	3584	3604	3628	3648	Down
RM SEED	3921	3896	3909	3930	3943	3964	Sideways
GUAR SEED	4219	4182	4201	4220	4239	4258	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1417.68	-0.64
LONDON SPOT SILVER	\$16.21	-0.61
NYMEX CRUDE OIL	\$57.01	1.41
NYMEX NATURAL GAS	\$2.307	-1.07

Economic Data

Data	Previous	Forecast	Time
Crude oil Inv.	-3.1M	-4.2M	8:00pm

RECOMMENDATIONS

NICKEL

NICKEL JULY: TRADING RANGE 1008.50 – 965.50.

NICKEL 1st(MXNICC1)2019/07/24 - Daily B:990.40 A:990.60

O 988.00 H 991.30 L 988.00 C 990.50 V 743 T 183,921 I 7,272 -1.7 -0.17%



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

SOYBEAN

SOYBEAN AUG: TRADING RANGE 3660 - 3590.

Soy Bean Indore 1908(NCSOYQ9)2019/07/23 - Daily B:3607.00 A:3608.00
O 3580.00 H 3624.00 L 3580.00 C 3608.00 V 16,450 I 0 +28 +0.78%



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

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