

Thursday, 25 July 2019

News, Views & Statistics
Global oil market in glut, but not a big enough one for OPEC

OPEC has shifted the goalposts for assessing an overhang in oil inventories, giving the group more room to prolong production cuts, while analysts warn the move will offer a distorted view of market conditions. Ever since the Organization of the Petroleum Exporting Countries and allies led by Russia - a grouping known as OPEC+ - started curbing oil output two and a half years ago, they have targeted bringing oil in storage in the industrialized world in line with the five-year average. In OPEC's view, eliminating the glut in inventories would achieve a balanced oil market. Earlier this month, Saudi Energy Minister Khalid al-Falih said OPEC was using the period 2010-2014 as one metric to assess the success of its oil cuts. Including this new metric would be a shift away from the more recent five-year average of 2014-2018, which the International Energy Agency (IEA), and OPEC itself, had used to gauge market conditions. "2010-2014 is probably another end of the spectrum and we will be looking at a collection of metrics that would give us guidance on what to do next after the nine months are over," Falih said, referring to when supply curbs end in March 2020. He said the next meeting of the OPEC+ ministerial monitoring committee in September would look at stocks in terms of cover for future demand, and how much of those stocks was in pipelines and tank heels - referring to oil residue below a tank's suction pump. Two OPEC sources said 2010-2014 would be the main metric for measuring inventories. They said the rationale was that the 2010-2014 average preceded 2015-2016, when inventories rose at unprecedented levels and when OPEC, led by Saudi Arabia, boosted output in a fight for market share against shale and other producers."

Indonesia's Palm Oil production declines in June: survey

Indonesia's palm production in June is forecast to fall from a month earlier, while exports will be flat, according to a Reuter's survey of industry groups and researchers. Palm oil production in Indonesia, the world's top producer, likely edged lower to 4.54 million tons in June from 4.6 million tons in May, according to a survey of two palm oil industry groups and a state palm oil research firm. Exports of palm oil, used in various products from food to cleaning products, were estimated at 2.80 million tons in June, the same as in May, while domestic consumption was seen rising to 1.6 million tons last month from 1.5 million tons in May. At the end of June, domestic stockpiles of palm oil are estimated at 2.95 million tonnes, the highest level this year, according to the survey. Data from Indonesia's largest palm oil association GAPKI showed palm oil stockpiles at the end of May were at 3.53 million tons. GAPKI's June data is not yet available.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	41591	41249	41420	41544	41715	41839	Up
GOLD	35029	34877	34953	35001	35077	35125	Up
CRUDE OIL	3943	3913	3928	3942	3957	3971	Down
COPPER	451.80	449.40	450.60	451.80	453.00	454.10	Down
NATURAL GAS	157.20	156.00	156.60	157.70	158.30	159.40	Down
JEERA	17680	17520	17600	17720	17800	17920	Up
TURMERIC	6882	6766	6824	6930	6988	7094	Up
SOYBEAN	3592	3566	3579	3599	3612	3632	Down
RM SEED	3925	3902	3914	3923	3935	3944	Sideways
GUAR SEED	4221.5	4186	4204	4239	4257	4293	Down

International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1426.58	+0.42
LONDON SPOT SILVER	\$16.53	+0.61
NYMEX CRUDE OIL	\$56.70	-0.54
NYMEX NATURAL GAS	\$2.280	-1.17

Economic Data

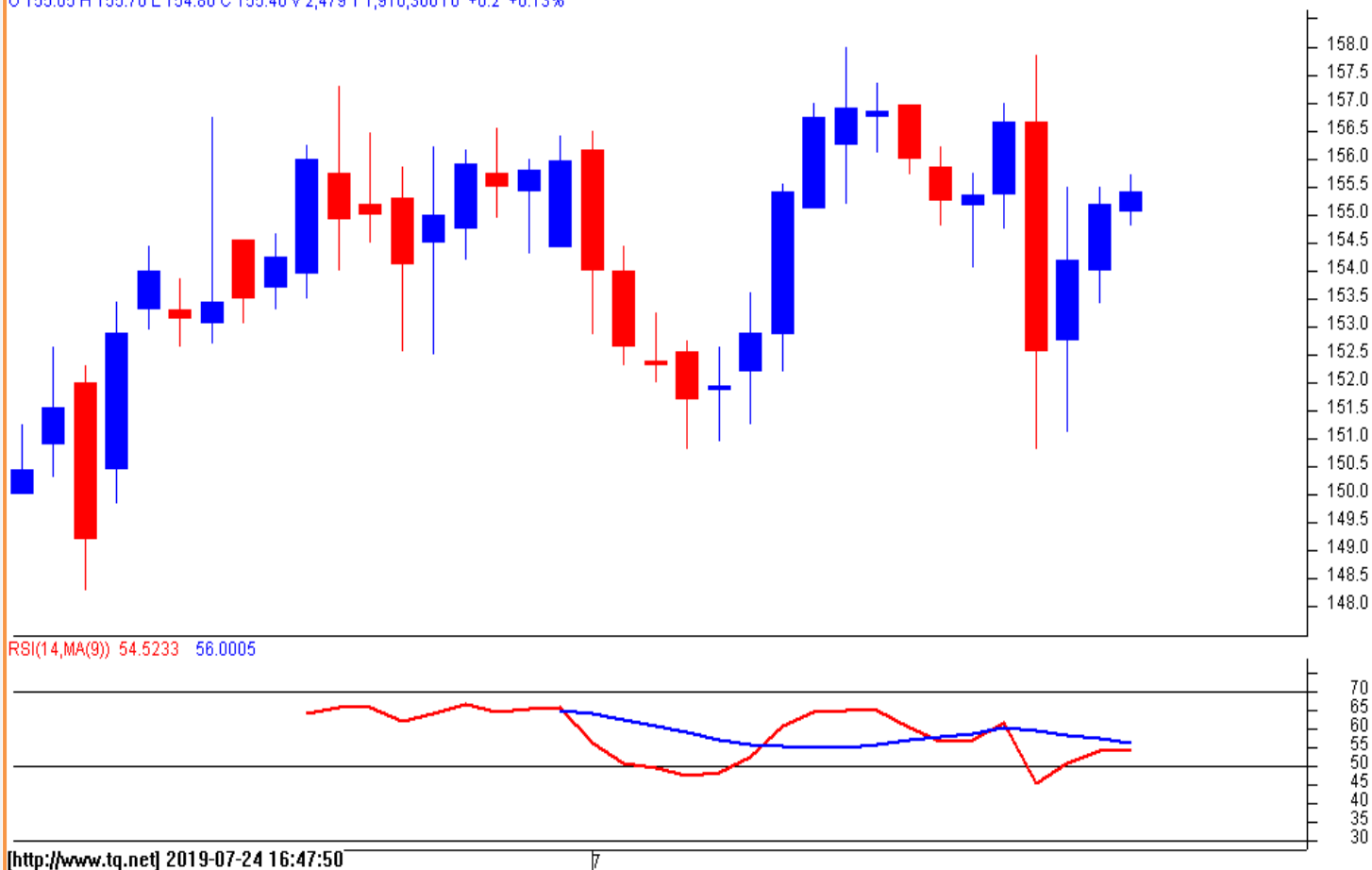
Data	Previous	Forecast	Time
Jobless Claim	216K	220K	6:00pm
NG Inv.	62B	40B	8:00pm

RECOMMENDATIONS

LEAD

LEAD JULY: TRADING RANGE 156.60 -154.00

LEAD 1907(MXLEAN9)2019/07/24 - Daily B:155.40 A:155.45
O 155.05 H 155.70 L 154.80 C 155.40 V 2,479 T 1,910,300 I 0 +0.2 +0.13%



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

CASTOR

CASTOR AUG: TRADING RANGE 5530 - 5430.

CASTOR SEED NEW 1908(NCCTNQ9)2019/07/24 - Daily B:5514.00 A:5518.00
O 5554.00 H 5570.00 L 5504.00 C 5514.00 V 31,135 I 0 -34 -0.61%



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

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