

Wednesday, 26 December 2018

**News, Views & Statistics**
**UPDATE 7-Oil at lowest in year following global stock market tumble**

Oil fell more than 2 percent on Monday to the lowest in over a year as global stock markets tumbled under pressure from concerns about a U.S. government shutdown and worsening world economy. Crude futures have fallen by more than 30 percent so far this quarter to the lowest since the third quarter of 2017, as investors have grown increasingly wary of the impact to global growth, and crude demand, from an escalating trade dispute between the United States and China. Markets across asset classes have come under pressure amid growth concerns intensified by a U.S. government shutdown. Technology stocks led a broad sell-off on Wall Street on Monday, as the U.S. government shutdown threatened to spill into next year and the White House moved into fire-fighting mode amid what is already the S&P 500's worst December since the Great Depression. The 11 major S&P 500 .SPX sectors were lower, and all the 30 components of the Dow Industrials .DJI were in the red, pushing them closer to bear territory. The U.S. Senate has been unable to break an impasse over U.S. President Donald Trump's demand for more funds for a wall on the border with Mexico, and a senior official said the shutdown could continue until Jan. 3. Investors have flocked to perceived safe-haven assets such as gold and government debt, at the expense of crude oil and stocks. Brent crude futures LCOc1 were down \$1.37 a barrel to \$52.45 by 11:50 a.m. ET (1650 GMT), having touched a session low of \$52.33, the lowest since Sept. 2017, while U.S. crude futures CLc1 fell \$1.29 to trade at \$44.30, after dropping to a session low of \$44.10. Brent fell 11 percent last week and hit its lowest since September 2017, while U.S. futures slid to their lowest since July 2017, bringing the decline in the two contracts to 35 percent so far this quarter. The macroeconomic picture and its impact on oil demand continue to pressure prices. Global equities .MIWD00000PUS have fallen nearly 9.5 percent so far in December, their biggest one-month slide since September 2011, when the euro zone debt crisis was unfolding.

**High yield plus with high import crash Pulses cost**

High imports of Pulses over the last few years and increased minimum support price (MSP) by the government have not only led to a surge in production but also a glut in the Pulses market. In 2015-16, India produced 16.4 million tons (MT) of Pulses while importing 5.8 MT. In the next year, even when production rose to 23.1 MT, imports also increased to 6.61 MT. It is a similar tale for 2017-18, when 5.61 MT of Pulses were imported despite total production exceeding 25 MT. The worst impacted have been Arhar, Moong and Urad, with prices consistently below the MSP. The government has so far spent Rs 15,034 crore in 2018-19 for procuring Pulses under the MSP scheme, 43 per cent more than what it spent in the previous year.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	37520	37200	37360	37465	37625	37730	Up
GOLD	31450	31198	31324	31396	31522	31594	Up
CRUDE OIL	3120	3010	3065	3162	3217	3314	Reversal
COPPER	414.60	410.00	412.30	415.90	418.20	421.80	Down
NATURAL GAS	250.40	234.40	242.40	255.30	263.30	276.20	Up
JEERA	17200	16780	16990	17335	17545	17890	Reversal
TURMERIC	6560	6468	6514	6556	6602	6644	Up
SOYBEAN	3335	3298	3316	3331	3349	3364	Reversal
RM SEED	3908	3859	3884	3926	3951	3993	Down
GUAR SEED	4187	4058	4122	4224	4288	4390	Up

### International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1269.15	+1.09
LONDON SPOT SILVER	\$14.77	+1.03
NYMEX CRUDE OIL	\$44.21	-2.51
NYMEX NATURAL GAS	\$3.532	-2.67

### Economic Data

Data	Previous	Forecast	Time
No major release	-	-	-

## RECOMMENDATIONS

### CRUDE OIL

**CRUDE OIL JAN: TRADING RANGE 3050 - 3200.**



Wait for our intraday trading strategy.

## GUARSEED

**GUARSEED JAN: SELL AT 4215-4220 TP-4154/4100 SL ABOVE 4261.**



Guarseed continued to tumble along with other major agro commodities as sentiments weakened due to exchanges deciding to increase market timings from next Monday.

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