

Bullish Breakout in NG

Natural Gas Price Supported by Tight EIA Storage Data & July Heat Expectations:

Natural gas futures closed higher on Friday following the release of a very tight government storage report that sparked an impressive reversal to the upside the previous session. While the government report may have fueled the early surge, traders are saying it was the return of heat to the forecast that led to the higher spike in prices.

The latest EIA report confirmed the higher demand with a modest 55 Bcf injection into storage. The total working gas in storage as of June 18 stood at 2,482 Bcf, which is 513 Bcf below last year and 154 Bcf below the five-year average, according to the EIA.

Over the short run, traders may watch some volatility due to the upcoming contract expiration and returning liquefied natural gas (LNG) demand to possibly reduce weekly storage injections by as much as 10-15 Bcf per week.

(Source: <https://www.fxempire.com/>)

9-NATURALGAS, Rolling - 25/06/21
SMA(CloseLine:100)



Technical outlook:

The Natural Gas (Jul) future chart has formed a “Rising wedge” pattern on the daily chart. The last session ended positively above the resistance level of 254. The market expects to continue its bullish momentum based on the current price action. The upside rally could test 266-272 levels in the upcoming sessions.

Alternatively, if the market struggles to sustain above the trend-line resistance level, then there is a chance of some correction in prices for the down-side support levels of 246-240.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
MCXBULLDEX	27-Jul-21	INDEX	14520	0.38%	16,251.00	14246	14383	14501	14638	14756	DOWN
MCXMETLDEX	20-Jul-21	INDEX	15070	4.40%	15,870.00	14092	14568	14837	15313	15582	UP
GOLD	05-Aug-21	10 GM	46956	0.33%	51,931.00	46284	46620	46969	47305	47654	DOWN
SILVER	05-Jul-21	1 KG	67900	0.47%	74,425.00	65787	66844	67684	68741	69581	DOWN
CRUDE OIL	19-Jul-21	Rs/bbl	5498	3.54%	5,513.00	5191	5344	5429	5582	5667	UP
NG	27-Jul-21	Rs/mmBtu	261	9.21%	262.00	223	242	252	271	281	UP
COPPER	30-Jul-21	1 KG	722	3.97%	815	675	698	714	737	753	UP
NICKEL	30-Jul-21	1 KG	1381	8.39%	1,457.00	1248	1315	1349	1416	1450	UP
LEAD	30-Jul-21	1 KG	172	0.32%	178.5	170	171	172	173	175	MODERATE
ZINC	30-Jul-21	1 KG	235	1.89%	244.50	221	228	232	239	243	UP
ALUMINIUM	30-Jul-21	1 KG	195	2.57%	206.15	188	191	194	197	200	UP