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Market Outlook

Crude Oil- MCX Crude may note some decline in line with international market and sell on rise is suggested. NYMEX crude trades marginally lower near \$67.7 per barrel after a weaker close yesterday. Putting pressure on the prices is worries of oversupply along with demand uncertainty. Expectation of higher supply from OPEC, Russia and US may weigh on the prices. Saudi Arabia and large producers are ramping up output to offset losses that are likely to come as a November deadline approaches for other countries to comply with US sanctions on crude sales from Iran. Meanwhile on demand front, worries over global trade war and its impact on global health is denting demand outlook. The downside may however be capped amid lingering supply worries relating to some nations like Venezuela and Libya, labour issues in Norway and protests near Iraqi oil facilities. Furthermore supply worries relating to Iran due to US sanctions and expectation of decline in stocks at US may too cap the downside. Overall mixed factors may keep crude in a range but sell on rise is suggested on prospect of better supply. Focus today will be on US economic data and development relating to oil producing nations.

Natural Gas - MCX Natural gas may note some decline tracking cues from international exchange. NYMEX natural gas trades modestly lower after weaker close yesterday. Weighing on the prices is forecasts of colder than normal temperatures across midwestern and eastern US which will keep a check on cooling demand. Also weighing on price is near record high US gas production. However, supporting price is smaller than average rise in gas stocks and decline in rig count. Mixed factors may keep gas in a range but sell on rise is suggested given slack demand expectations.

Futures Market Movement

MCX Crude Oil (Rs/bbl) as on 23-Jul

Contract	High	Low	Close	Change	% Change
Aug-18	4790	4673	4690	-17	-0.4%
Sep-18	4691	4603	4629	17	0.4%
Oct-18	4660	4595	4619	11	0.2%

NYMEX WTI Crude Oil (USD/barrel) as on 23-Jul

Sep-18	69.31	67.60	67.89	-0.37	-0.5%
Oct-18	67.64	66.26	66.75	0.11	0.2%
Nov-18	67.17	65.91	66.43	0.25	0.4%

ICE Brent Crude Oil (USD/barrel)

Sep-18	74.50	72.52	73.06	-0.01	0.0%
Oct-18	74.61	72.78	73.38	0.24	0.3%
Nov-18	74.66	72.87	73.58	0.36	0.5%

NYMEX Heating Oil (USD cents/gallon)

Aug-18	214.14	209.56	211.80	1.36	0.6%
Sep-18	214.70	210.03	212.29	1.35	0.6%
Oct-18	215.21	210.60	212.89	1.42	0.7%

NYMEX Gasoline (USD cents/gallon)

Aug-18	210.43	205.56	209.14	2.24	1.1%
Sep-18	206.84	202.09	205.28	1.85	0.9%
Oct-18	194.95	190.19	193.49	1.73	0.9%

MCX Natural Gas (Rs/mmBtu)

Jul-18	189.80	187.20	188.30	-1.90	-1.0%
Aug-18	187.50	186.30	187.20	-1.90	-1.0%
Sep-18	189.50	188.10	189.00	-2.60	-1.4%

NYMEX Natural Gas (USD/mmBtu)

Aug-18	2.741	2.713	2.721	-0.04	-1.3%
Sep-18	2.711	2.688	2.695	-0.03	-1.2%
Oct-18	2.730	2.708	2.715	-0.03	-1.1%

Commodity	Support	Resistance	Trend
Crude Oil	4600	4730	Negative
Natural Gas	183	191	Negative



TECHNICAL OUTLOOK




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