

ACTIVE MONTH | NYMEX WTI Crude Oil February 2020

Last Trade 21st January 2020

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Highlights

- Oil prices jumped back above \$70 a barrel after Iran attacked two U.S.-Iraqi bases in its first response to the killing of its top general, before paring much of their advance as Tehran signaled the strike was over.
- Futures in London initially surged more than 5% as the Islamic Revolutionary Guard Corps claimed responsibility for the missile strikes, which the Pentagon said were launched from Iran. Prices then pulled back after the country's foreign minister said it had "concluded proportionate measures in self-defense" and U.S. President Donald Trump tweeted that "all is well" following the attacks.
- While oil flows from the Middle East continue to be unimpeded for now, the risk the conflict will disrupt global supplies is spooking the market. Most crude exports from the Persian Gulf, including shipments from Saudi Arabia, Iran and Iraq, go through the Strait of Hormuz, a narrow waterway that Iran has repeatedly threatened to shut down if there's a war.

U.S. Crude Oil Figures (API & EIA)

	<u>Previous</u>	<u>Latest</u>
API		
Total Inventory	-7.8	-5.9
EIA		
Crude oil	-1.1	-5.5
Gasoline	2.0	2.5
Distillates	1.5	-0.2

**in million barrels*
Today's Commodity Fair Value

	<u>Fair Price</u>
NYMEX WTI Jan 20	63.04
ICE Brent Feb 20	67.70

*Source: Bloomberg **At time of writing

Technical Section

Pivot Values

3rd Resistance	69.66
2nd Resistance	66.78
1st Resistance	65.04
Last Price	63.28
1st Support	62.16
2nd Support	61.02
3rd Support	58.14

Intraday Outlook

Momentum	Trend
UP	UP

Aggregate Open Interest

<u>Previous</u>	<u>Latest</u>
2,220,450	2,245,043

SMA 5 Days	SMA 20 Days	SMA 100 Days	RSI	Upper Bollinger	Lower Bollinger
62.69	61.08	56.54	68.56	63.68	58.47

Market Insight

Fundamental analysis are based on conclusive assessment of time varying key market movers. While technical analysis use a 4-hour chart to analyse the potential movement for intraday trading.

We assessed the historical contagion effects during geopolitical unrest. We believe oil price would go higher, but at slowed momentum as current tensions not seem to disrupt oil shipping progress in Mid-east area.

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