

Oil jumps 4% on fears Suez Canal blockage may last weeks

Oil prices rose more than 4% on Friday, rebounding on concerns it could take weeks to dislodge a giant container ship blocking the Suez Canal, which would squeeze supplies of crude and refined products. Prices, however, were still headed for a third consecutive weekly loss, with the outlook for demand dented by fresh coronavirus lockdowns in Europe.

US West Texas Intermediate (WTI) crude settled Friday's trade up \$2.41, or 4.1%, at \$60.97. For the week though, it was down 0.8%, extending last week's 6.4% drop and the previous week's 0.7% slide.

Oil trade was volatile this week, as traders assessed how long the Suez Canal blockage which happened on Tuesday will last, while also determining the effect new coronavirus lockdowns in Europe will have on demand. Of the 39.2 million barrels per day (bpd) of total seaborne crude in 2020, 1.74 million bpd went through the Suez Canal.

The oil markets were also lifted by worries over escalating geopolitical risk in the Middle East. Yemen's Houthi forces on Friday said they launched attacks on facilities owned by Saudi Aramco. Expectations that the Organization of the Petroleum Exporting Countries and its allies will likely maintain their lower production also supported prices.

(Source: <https://economictimes.indiatimes.com/>)



Technical outlook

MCX CRUDEOIL (APR) future prices formed "Double Bottom" pattern in 4hr time frame. The last session ended on a positive note after taken a reversal from the support level 4200. The market is expected to continue the Bullish momentum, once the prices break and sustain above the resistance holding at 4500, then the upside rally could test 4650-4800 in the upcoming trading sessions. Alternatively, if the market struggles to break the resistance level of 4500, then it might retest the same and revise the trend to bearish once again and the downside rally may continue for the target of 4100-4000. Key support holds at 4300.

@ Futures	Expiry Date	Quotation/ Base Value	Close	WoW % change	52 wk H/L	S2	S1	Pivot	R1	R2	Trend
MCXBULLDEX	26-Apr-21	INDEX	14097	-1.65%	16251/14021	13846	13971	14126	14251	14406	DOWN
MCXMETLDEX	20-Apr-21	INDEX	13911	-0.01%	15457/13242	13444	13677	13844	14077	14244	MODERATE
GOLD	05-Apr-21	10 GM	44650	-0.82%	51875/44150	44111	44381	44710	44980	45309	DOWN
SILVER	05-May-21	1 KG	64684	-4.21%	75501/64733	61483	63144	65072	66733	68661	DOWN
CRUDE OIL	19-Apr-21	Rs/bbl	4466	0.16%	4967/3457	4079	4273	4394	4588	4709	MODERATE
NG	27-Apr-21	Rs/mmBtu	191	3.92%	240/176	180	185	189	194	198	MODERATE
COPPER	30-Apr-21	1 KG	673	-0.78%	737/586	647	660	671	685	696	MODERATE
NICKEL	30-Apr-21	1 KG	1197	1.48%	1457/1146	1139	1168	1186	1215	1233	MODERATE
LEAD	30-Apr-21	1 KG	161	-0.19%	180/155	158	159	161	162	164	MODERATE
ZINC	30-Apr-21	1 KG	220	0.00%	234/203	212	216	219	223	226	MODERATE
ALUMINIUM	30-Apr-21	1 KG	179	0.06%	179/160	170	174	177	181	184	UP