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MARKET ANALYSIS

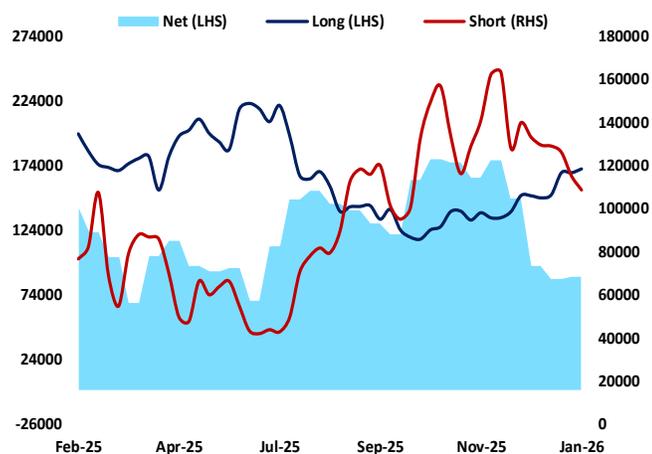
| FUTURES PRICE ACTION | | | | | 26th Jan - 30th Jan'26 | |
|---------------------------|----------|-------|-------|-------|------------------------|------------|
| COMMODITY | QUOTE | HIGH | LOW | CLOSE | CHANGE | CHANGE (%) |
| BRENT CRUDE | \$/bbl | 71.9 | 65.0 | 70.7 | 4.8 | 7.3% |
| WTI CRUDE | \$/bbl | 66.5 | 60.1 | 65.2 | 4.1 | 6.8% |
| MCX CRUDE | Rs/bbl | 6,135 | 5,475 | 5,930 | 300 | 5.3% |
| NYMEX NATURAL GAS | \$/MMBtu | 4.420 | 3.570 | 4.354 | 0.94 | 27.6% |
| MCX NATURAL GAS | Rs/MMBtu | 632.0 | 329.1 | 390.5 | -85.0 | -17.9% |
| EUROPEAN DUTCH TTF | €/MWh | 43.4 | 36.8 | 39.3 | -0.8 | -1.9% |
| JAPAN KOREA MARKER (ASIA) | \$/MMBtu | 12.9 | 11.0 | 11.5 | 0.1 | 0.7% |

Source : Bloomberg, KS Commodity Research

Crude oil – WTI crude oil surged to a six-month high of \$66.5/bbl, buoyed by lingering concerns over potential supply disruptions from Iran. Risks of U.S. military action and possible Iranian retaliation, particularly disruptions to shipping through the Strait of Hormuz, which handles roughly one-fifth of global crude flows, kept risk premiums elevated and delivered weekly gains of 7%. Traders continued tracking U.S.–Iran tensions, as President Trump indicated Iran may seek a deal rather than face military action, while Iran reiterated that its missile defense systems would "never" be part of negotiations. Crude prices also drew support from earlier supply-side developments this year, including outages in Kazakhstan, weather-related production freeze-offs in the U.S., tighter restrictions on Russian oil purchases, and geopolitical frictions involving Venezuela. Lingering uncertainty surrounding the Russia–Ukraine conflict reinforced concerns over longer-term supply stability. Oil prices later saw a modest pullback amid a sharp U.S. dollar rebound, broad-based global market weakness, and the Trump administration's nomination of Kevin Warsh, widely viewed as an inflation hawk, as the next Federal Reserve Chair. Today, WTI tumbled more than 5% to below \$61.5/bbl, pressured by easing geopolitical risks after President Trump expressed hope for reaching a U.S.–Iran deal, signaling potential de-escalation. Oil prices may trade sideways this week amid a fading geopolitical risk premium, while markets await U.S.–Russia–Ukraine trilateral talks scheduled for February 4–5 in Abu Dhabi aimed at ending the war. Meanwhile, OPEC+ maintained its supply pause and agreed to keep oil output unchanged for March.

Natural Gas - NYMEX Henry Hub natural gas futures rallied 27% last week, driven by colder weather forecasts for early February that added to prospects of brighter demand and inventory draws in the coming weeks. The Commodity Weather Group said on Friday that below-normal temperatures are expected to persist across the Upper Midwest, Mid-Atlantic, and Northeast during February 4–8. Prices had come under selling pressure earlier in the week amid mixed early-February weather forecasts and a recovery in U.S. gas output as production gradually returned from wells previously shut due to freezing conditions. Today, gas prices tumbled about 16% to below \$3.60/mmBtu, as National Oceanic and Atmospheric Administration forecasts indicate that large portions of the U.S. are expected to see higher-than-normal temperatures. U.S. gas output recovery is gaining momentum from freeze-affected wells, while Baker Hughes reported active gas rigs rising by three to 125, modestly below the two-year high of 130 rigs set on November 28, pointing to sustained high production prospects ahead. Gas prices may trade range-bound this week, finding upside relief only if weather turns decisively colder; otherwise, inventory builds amid structurally soft demand will continue to exert pressure in the near term.

WTI speculative positions (lots)



Source- US CFTC, ICE Europe, KS Commodity Research

EIA Weekly Report for the week ended 27-Jan-26

| (million barrels) | Last | Previous | Change |
|-----------------------------|--------|----------|--------|
| Commercial crude stocks | 423.8 | 426.0 | -2.3 |
| Crude oil in SPR | 415.0 | 414.5 | 0.5 |
| Cushing OK stocks | 24.8 | 25.1 | -0.3 |
| Motor gasoline | 257.2 | 257.0 | 0.2 |
| Distillate fuel oil | 132.9 | 132.6 | 0.3 |
| US crude production (kbpd) | 13,696 | 13,732 | -36.0 |
| US Petroleum imports (kbpd) | 7,020 | 7,968 | -948 |
| US petroleum exports (kbpd) | 11,326 | 10,570 | 756 |
| Refinery utilization (%) | 90.9 | 93.3 | -2.4 |
| Baker Hughes rigs (nos) | 482 | 480 | -4 |

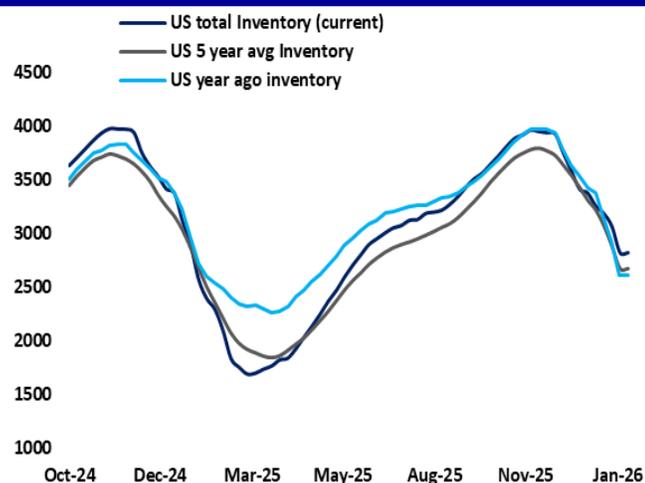
Source : EIA, Bloomberg, KS Commodity Research

US LNG flows (billion cubic feet)

| Terminals | 23-Jan | 24-Jan | 25-Jan | 26-Jan | 27-Jan | 28-Jan | 29-Jan | week ago | month ago | year ago |
|--------------------------|--------------|--------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
| Sabine Pass | -5.0 | -3.6 | -2.6 | -2.7 | -3.6 | -4.7 | -5.1 | -5.0 | -5.2 | -4.8 |
| Cove Point | -0.7 | -0.2 | -0.2 | -0.1 | -0.3 | -0.4 | -0.3 | -0.8 | -0.8 | -0.9 |
| Corpus Christi | -3.3 | -2.7 | -2.2 | -2.1 | -2.3 | -3.4 | -3.2 | -3.4 | -3.3 | -1.8 |
| Cameron | -1.7 | -1.9 | -1.5 | -1.1 | -1.9 | -2.1 | -2.1 | -2.1 | -2.2 | -2.2 |
| Freeport | -2.6 | -0.8 | -0.7 | -0.7 | -1.5 | -2.3 | -1.8 | -2.4 | -2.2 | -1.8 |
| Elba Island | -1.7 | -1.7 | -1.3 | -1.2 | -1.3 | -1.7 | -1.8 | -1.7 | -1.7 | -1.6 |
| Calcasieu Pass | -0.2 | 0.7 | 0.9 | 1.1 | 1.0 | 0.3 | 0.1 | -0.4 | -0.3 | -0.4 |
| Total LNG exports | -15.2 | -10.1 | -7.7 | -6.8 | -9.8 | -14.5 | -14.1 | -15.7 | -15.7 | -13.5 |

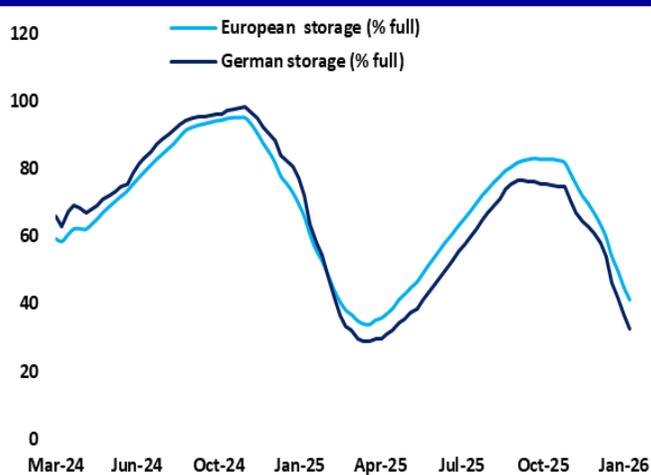
Source : Bloomberg, KS Commodity Research

US Natural Gas Inventory



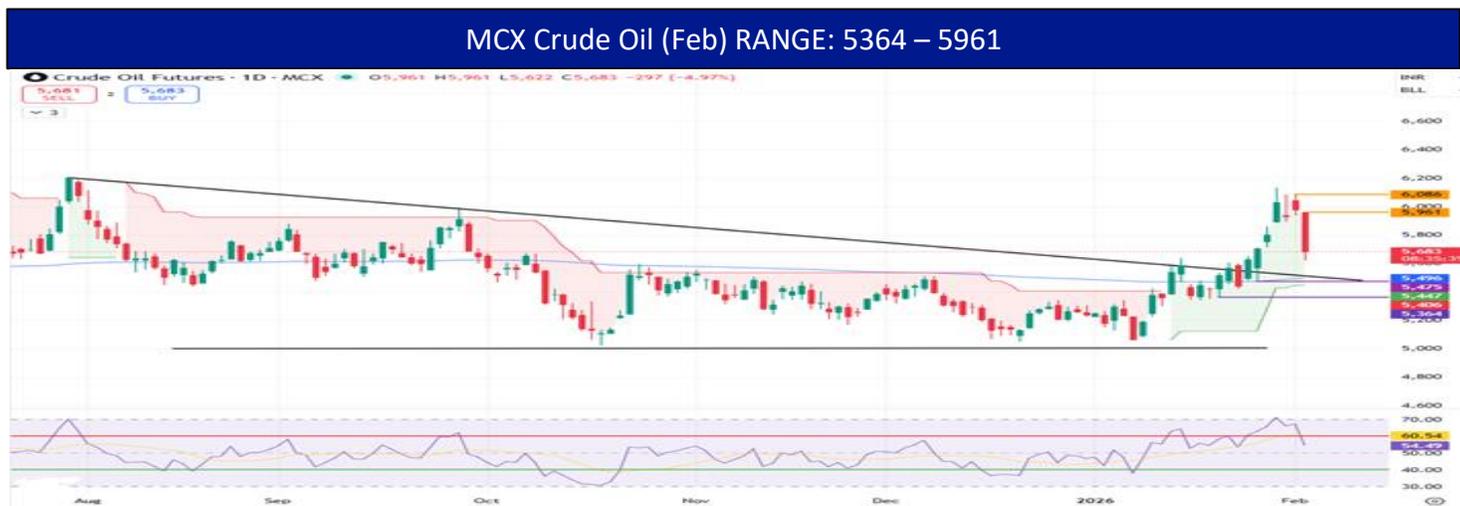
Source- Bloomberg, KS Commodity Research

European Gas Storage levels



Source- Bloomberg, KS Commodity Research

TECHNICAL OUTLOOK



Source: Trading View, KS Commodity Research

On the daily chart, MCX Crude Oil futures have witnessed a breakout from a descending triangle pattern, signaling a shift toward a bullish bias. Prices are comfortably trading above the 21-period EMA and the positive Supertrend (7,3), indicating underlying strength and improving trend support. Momentum indicators remain mixed, with the RSI (14) hovering near the neutral 50 zone, suggesting consolidation without strong directional momentum at present. On the downside, immediate support is placed at 5,475, followed by a stronger support zone near 5,364. On the upside, immediate resistance is seen at 5,961, while a decisive move above 6,086 could open further upside potential. Overall, prices are expected to trade within the 5,364 – 5,961 range, with a sideways to bullish bias in the near term.



Source: Trading View, KS Commodity Research

On the daily chart, MCX Natural Gas futures have witnessed a breakout from a descending trendline, signaling a shift toward a bullish bias. Prices are comfortably trading above the 21-period EMA and the positive Supertrend (7,3), indicating underlying strength and improving trend support. Momentum indicators remain RSI (14) hovering above the neutral 50 zone, suggesting consolidation without strong directional momentum at present. On the downside, immediate support is placed at 272.8, followed by a stronger support zone near 249.6. On the upside, immediate resistance is seen at 388.6, while a decisive move above 424.5 could open further upside potential. Overall, prices are expected to trade within the 272.8 – 388.6 range, with a sideways to bullish bias in the near term.

RATING SCALE FOR WEEKLY REPORT

| | |
|---|--|
| BUY | We expect the commodity to deliver 2% or more returns |
| SELL | We expect the commodity to deliver (-2%) or more returns |
| SIDEWAYS | We expect the commodity to trade in the range of (+/-)2% |
| NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any | |

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