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## MARKET ANALYSIS

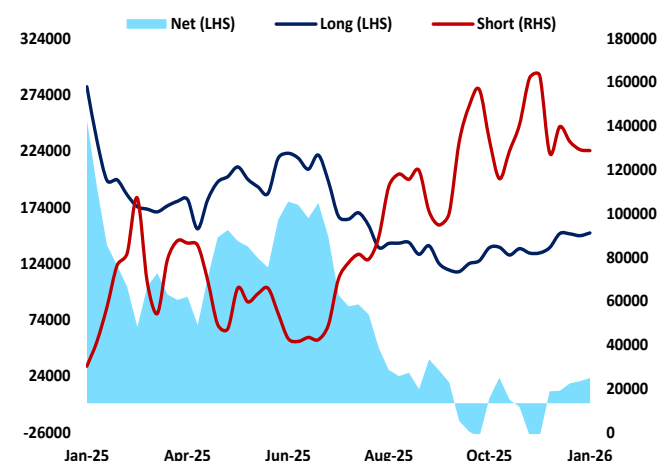
FUTURES PRICE ACTION						2nd - 9th Jan '26
COMMODITY	QUOTE	HIGH	LOW	CLOSE	CHANGE	CHANGE (%)
BRENT CRUDE	\$/bbl	63.9	59.8	63.3	2.6	4.3%
WTI CRUDE	\$/bbl	59.8	55.8	59.1	1.8	3.1%
MCX CRUDE	Rs/bbl	5,400	5,035	5,352	197	3.8%
NYMEX NATURAL GAS	\$/MMBtu	3.634	3.131	3.169	-0.4	-12.4%
MCX NATURAL GAS	Rs/MMBtu	327.6	291.5	294.2	-38.6	-11.6%
EUROPEAN DUTCH TTF	€/MWh	29.2	27.1	28.4	-0.6	-2.2%
JAPAN KOREA MARKER (ASIA)	\$/MMBtu	10.0	9.3	9.6	-0.2	-1.9%

Source : Bloomberg, KS Commodity Research

**Crude oil** –WTI crude oil experienced sharp swings last week before closing above \$59 per barrel, posting gains of around 3%, supported by escalating anti-government protests in Iran and the U.S. labor report. While U.S. job creation in December fell short of expectations, signaling some cooling in the labor market, an unexpected decline in the unemployment rate boosted optimism that labor market momentum could improve in the months ahead. Prices were also underpinned by the annual rebalancing of major commodity indices, which is expected to drive further buying of oil futures in the near term. Prices slipped below \$56 per barrel midweek amid renewed focus on Venezuela, as the U.S. signaled it would retain control over sales of sanctioned Venezuelan crude while selectively easing export restrictions, heightening concerns about additional supply in an already well-supplied global market. Supply concerns were reinforced after Saudi Arabia cut its official selling prices to Asia for a third consecutive month in February, pointing to soft demand and intensifying competition among producers. Meanwhile, the latest EIA report showed a larger-than-expected 3.8 million barrel draw in crude inventories, though this was offset by a sharp build in refined product stocks, indicating weaker end-user demand. Oil prices edged lower today but are likely to remain volatile as geopolitical risks persist, with Trump warning of a “hard” response if Iranian authorities were to kill protesters and Iran signaling it could respond preemptively if it detected clear threats, raising fears of supply disruptions from OPEC’s fourth-largest producer, while traders also monitor progress on a U.S. congressional proposal that could impose tariffs of up to 500% on countries continuing to purchase Russian oil.

**Natural Gas** - NYMEX Henry Hub natural gas futures plunged 12% last week to a three-month low of \$3.13 per mmBtu, pressured by forecasts for mild temperatures across much of the U.S., which dampened heating demand expectations. Prices fell sharply despite a larger-than-expected draw in U.S. gas inventories, as the latest EIA report showed stocks declining by 119 bcf, exceeding market expectations of a 113 bcf draw and well above the five-year average draw of 92 bcf, leaving total inventories at 3.256 tcf as of January 2, about 1% above the five-year average. On the supply side, Lower-48 dry gas production remained elevated at around 113.5 bcf per day, up nearly 10.7% year on year, underscoring ample supply, while demand stayed subdued at roughly 87.9 bcf per day, down 28% year on year, and LNG feedgas flows held steady near 19.5 bcf per day. Shifts in weather projections briefly lifted prices to \$3.60 per mmBtu before a sharp pullback. Gas prices attempted a modest rebound today toward \$3.30 per mmBtu on expectations of colder weather later in January; however, upside potential remains limited amid near-term, weather-driven volatility, as strong production and comfortable storage levels continue to cap sustained gains. NatGasWeather forecasts warmer-than-normal conditions across most of the U.S. for January 9–15, with even warmer weather expected to spread nationwide during January 16–23.

## WTI speculative positions (lots)



## EIA Weekly Report for the week ended 06-Jan-26

(million barrels)	Last	Previous	Change
Commercial crude stocks	419.1	422.9	-3.8
Crude oil in SPR	413.5	413.2	0.2
Cushing OK stocks	22.8	22.1	0.7
Motor gasoline	242.0	234.3	7.7
Distillate fuel oil	129.3	123.7	5.6
US crude production (kbpd)	13,811	13,827	-16.0
US Petroleum imports (kbpd)	8,216	6,339	1877
US petroleum exports (kbpd)	11,508	10,112	1396
Refinery utilization (%)	94.7	94.7	0.0
Baker Hughes rigs (nos)	482	480	-4

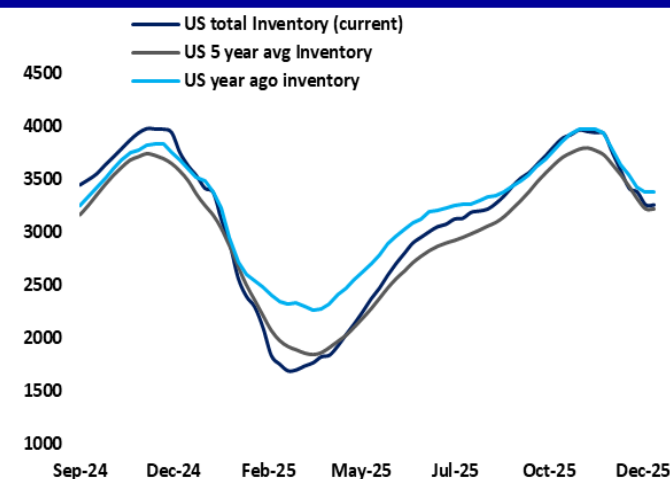
Source : EIA, Bloomberg, KS Commodity Research

## US LNG flows (billion cubic feet)

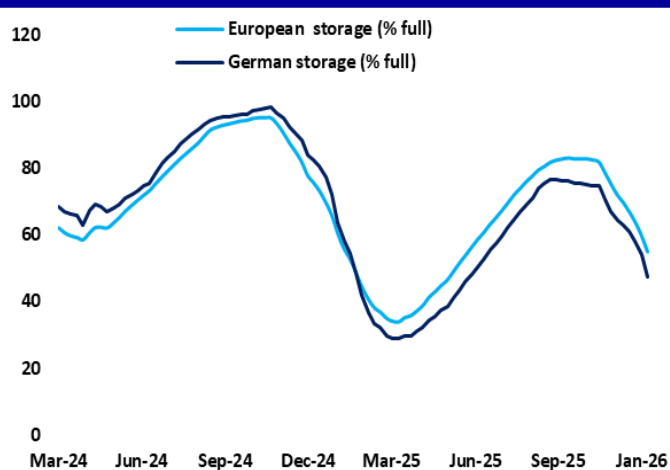
Terminals	2-Jan	3-Jan	4-Jan	5-Jan	6-Jan	7-Jan	8-Jan	week ago	month ago	year ago
Sabine Pass	-4.8	-5.0	-5.1	-4.9	-4.5	-4.2	-4.7	-5.0	-5.2	-5.0
Cove Point	-0.9	-0.9	-0.9	-0.9	-0.9	-0.8	-0.8	-0.9	-0.8	-0.6
Corpus Christi	-3.2	-3.3	-3.3	-3.1	-2.3	-3.4	-3.2	-3.3	-3.3	-2.7
Cameron	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.0	-1.8
Freeport	-2.3	-2.3	-2.3	-2.3	-2.3	-1.8	-2.1	-2.3	-2.3	-2.3
Elba Island	-1.6	-1.6	-1.6	-1.6	-1.6	-1.8	-1.7	-1.5	-1.8	-1.5
Calcasieu Pass	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.3	-0.4	-0.4	-0.2
<b>Total LNG exports</b>	<b>-15.5</b>	<b>-15.7</b>	<b>-15.9</b>	<b>-15.6</b>	<b>-14.2</b>	<b>-14.6</b>	<b>-15.1</b>	<b>-15.6</b>	<b>-15.7</b>	<b>-13.9</b>

Source : Bloomberg, KS Commodity Research

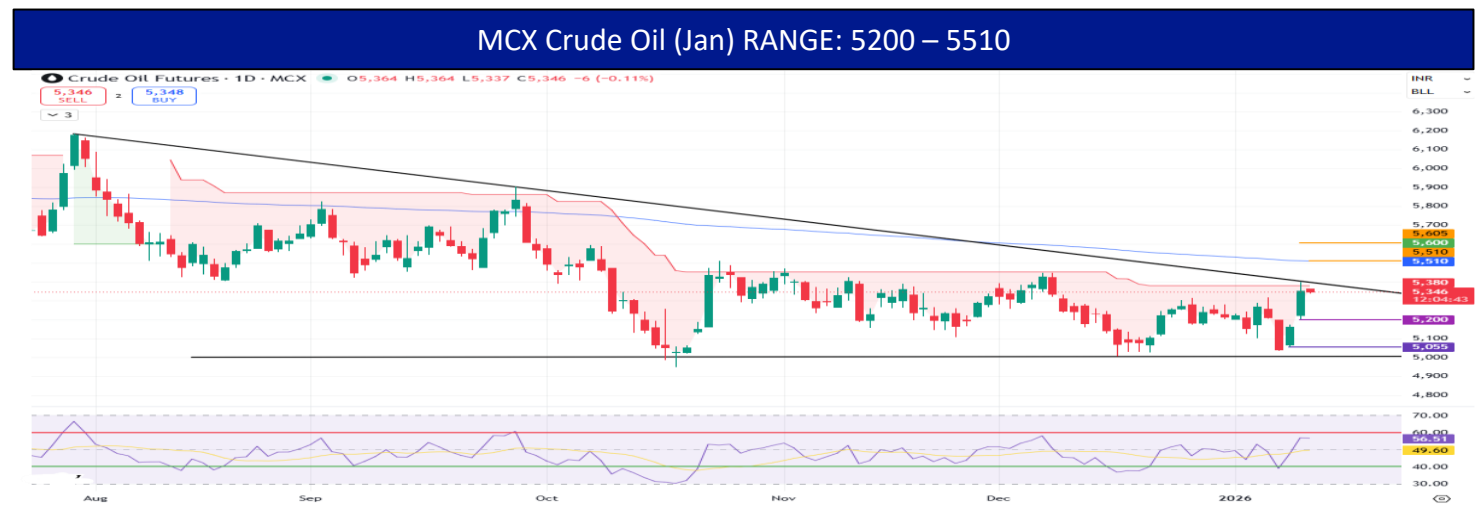
## US Natural Gas Inventory



## European Gas Storage levels



## TECHNICAL OUTLOOK



On the daily chart, MCX Crude Oil futures are moving within a descending triangle structure, highlighting persistent supply pressure near higher levels. While a breakdown from this pattern could tilt the bias toward further weakness, the absence of a clear trigger suggests a phase of consolidation. Prices continue to trade below the 21-day EMA and remain under the negative Supertrend (7,3), indicating a subdued trend. Meanwhile, the RSI (14) is hovering around the neutral 50 mark, pointing toward range-bound and indecisive momentum. On the downside, immediate support is placed at 5200, and a sustained move below this level may expose the next downside target near 5055. On the upside, initial resistance is seen at 5510, followed by a stronger cap around 5605. Overall, MCX Crude Oil is expected to maintain a sideways bias in the near term, with prices likely to remain confined within the 5200–5510 range unless a decisive breakout or breakdown emerges.



On the daily chart, MCX Natural Gas futures have extended their corrective decline after failing to sustain above higher levels, indicating a weakening short-term structure. Prices are currently trading below the 21-day EMA and remain under the negative Supertrend (7,3), suggesting that the broader bias continues to favor the bears. The RSI (14) has slipped below the neutral 50 mark and is approaching oversold territory, reflecting increasing downside momentum. From a levels perspective, immediate support is placed near 269, and a decisive break below this level could drag prices toward the 254.7 zone. On the upside, immediate resistance is seen around 316, followed by a stronger supply area near 326.6. Overall, MCX Natural Gas is expected to trade with a range-bound to bearish bias in the near term, with volatility likely to persist until prices reclaim key resistance levels.

## RATING SCALE FOR WEEKLY REPORT

<b>BUY</b>	We expect the commodity to deliver 2% or more returns
<b>SELL</b>	We expect the commodity to deliver (-2%) or more returns
<b>SIDEWAYS</b>	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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