

# TECHNO FUNDA REPORT ON **CRUDE OIL**

Prices may move higher

September 18, 2015



Moneywise. Be wise.

## MCX CRUDE OIL (OCT) WEEKLY CHART



Source: Reuters

### Recommendation

Investors can take fundamental buy position in Crude oil (OCT) at current levels for the target of 3400 with stop loss of closing below 3000.

### Note:

- These long term fundamental calls are for duration of three to four weeks time frame and do not confuse these with intraday calls.
- It is assumed that investor takes position in two lots and square off position in one lot on partial profit booking and trail stop loss to buying/selling price for second lot.

## NYMEX CRUDE OIL WEEKLY CHART



Source: Reuters

## Bullish factors

### Recovery in Greenback

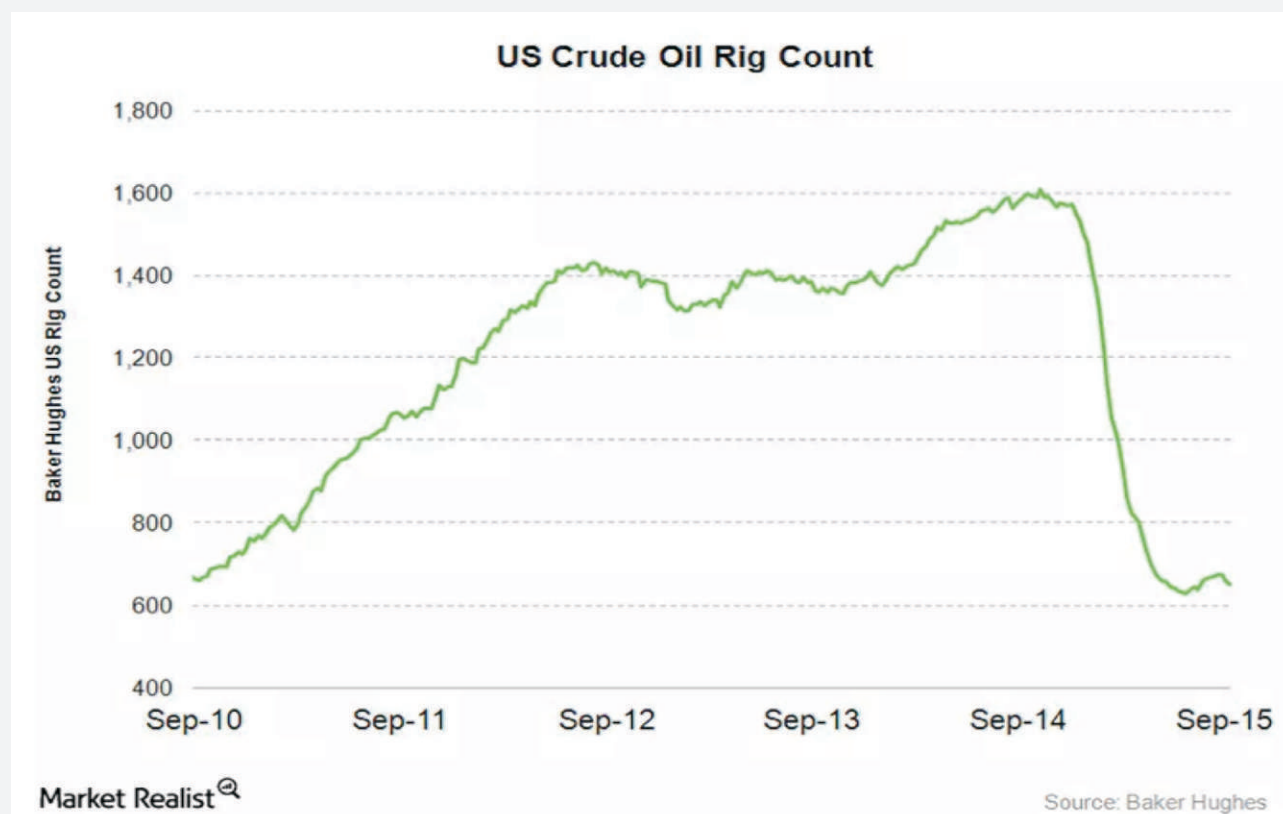
Dollar index can witness further decline towards 94-93.5 levels as any decline in greenback is bullish for Crude oil.

### US Production have started to ease

U.S. oil output has begun to ease after six years of sharp increases. Energy Information Administration data shows U.S. crude and condensate production peaked at 9.612 million barrels per day (bpd) in April and had declined by 316,000 bpd by June.

### Fall in latest rig count data

Last week, Baker Hughes published its US crude oil rig count report on September 11, 2015. The data showed that US crude oil rigs fell by ten to 652 for the week ending September 11, 2015. Likewise, the crude oil rig count fell by 13 to 662 for the week ending September 4, 2015. The active US crude oil rig count fell for the second consecutive week in the last eight.



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