



Oil & gas emerge as top gainers

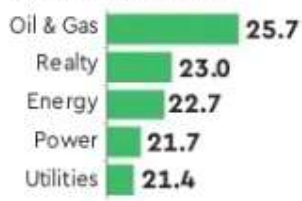
WITH A 25.7% return, the BSE Oil & Gas Index emerged as the top gainer among all sectoral indices during the YTD of 2024 so far. Realty, energy, power, and utilities were the other gainers, each seeing returns of over 20%. The benchmark Sensex rose by just 2.06% during the same period. Linde India, PetroNet LNG, ONGC, BPCL and IOCL were the top performers among oil and gas sector stocks.

**Compiled by
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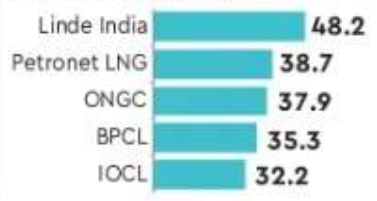
Sensex vs BSE Oil & Gas Index



Top sectoral gainers in 2024 YTD (% gain)



Top gainers from oil & gas sector (% gain)



% return between December 29, 2023 and April 26, 2024

Rally anticipated as support holds

CRUDE CHECK. The May futures can resume the upswing to touch ₹8,000

Akhil Nallamuthu
bl. research bureau

Lower-than-expected growth data from the world's largest economy and the biggest consumer of crude oil is not good news as a slowdown can impact the demand. The advance estimate of the USD GDP growth came in at 1.6 per cent versus the expected 2.4 per cent.

But the inventory data and the persisting geopolitical risk resulted in the crude oil prices ending the week higher.

The latest Energy information Administration (EIA) data shows that the crude oil stocks in the US declined by 6.4 million barrels versus expected increase of 1.6 million barrels for the week ended April 19.

On the back of the above, last week, Brent crude oil futures on the Intercontinental Exchange (ICE) was up 2.5 per cent by closing at \$89.4 per barrel. Crude oil futures on the MCX gained 1.5 per cent by ending the week at ₹6,999 a barrel.



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BRENT CRUDE FUTURES (\$89.4)

Brent Crude futures found support at \$86 and saw a rebound last week. The price action on the daily chart shows that the contract is likely to have resumed the upward movement after seeing a correction in the previous week.

The nearest resistance the contract can face is at \$91 and the subsequent one is at \$96. A

breakout of \$96 can lift the contract to \$100, a psychological resistance. A breach of this can turn the medium-term trend bullish.

On the other hand, if Brent crude futures slip below \$86, the downswing can extend to \$84, a support. Next support is at \$81.

MCX-CRUDE OIL (₹6,999)

Crude oil futures (May expiry) opened last week on a sluggish

note and marked a low of ₹6,744 on Monday. However, ₹6,750 provided support and on the back of this, the contract bounced. The 50-day moving average now coincides at \$6,750, making it a strong support.

Since the trend has been bullish, crude oil futures is likely to go up from here. The nearest notable resistance can be seen at ₹7,250. A breakout of this level can result in the price rallying to ₹8,000. But note that ₹7,500 can act as a hurdle.

But if crude oil futures drop below ₹6,750, it can fall quickly to ₹6,500, a support. A decline below this is unlikely. If it happens, the price can drop to ₹6,000.

Trade strategy: Last week, we recommended buying May crude oil futures at ₹6,900 with a stop-loss at ₹6,400. Hold this trade. Add longs in case the price dips to ₹6,650.

When the contract rallies past ₹7,300, modify the stop-loss to ₹7,050. On a rally past ₹7,600, tighten the stop-loss further to ₹7,400. Book profits at ₹7,900.

Ukraine claims it hit 2 Russian oil refineries



Emergency services personnel work to extinguish a fire in Ivano-Frankivsk region of Ukraine on Saturday, following Russian night attacks | AFP

KYIV

UKRAINIAN drones hit two Russian oil refineries and a military airfield in a large-scale overnight attack, a Ukrainian defence source said.

The source said Ukraine hit “key technological facilities” at two refineries in the southern Krasnodar region. Russian officials had earlier reported a fire at a refinery in the town of Slavyansk-on-Kuban and state media said the facility had partially halted production.

Kyiv has hit several oil refineries in western Russia in recent months, despite reports of concern in Washington that the strikes could be seen as escalatory and might drive up global oil prices.

Ukraine also fired more than 60 drones at southern Russia overnight, Moscow said, in one of its largest overnight drone

attacks in recent months.

Russia also launched a “massive” missile strike at Ukraine overnight, damaging four power plants in the latest barrage targeting the country’s energy supply, officials in Kyiv said on Saturday. “Thirty-four Russian missiles overnight. We managed to shoot down some of them. But the world has every opportunity to help (us) shoot down every missile and every drone,” Ukrainian President Volodymyr Zelensky said.

He called on Kyiv’s Western partners to supply more air defence systems to protect his country’s skies, as the air force said it shot down 21 of 34 incoming missiles. Moscow has launched some of its biggest ever strikes on Ukraine’s energy facilities in recent months, knocking out a significant chunk of production, and triggering blackouts. *AFP*