

Bulls to be back

CRUDE CHECK. Traders can retain the buys

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Crude oil snapped a four week rally as the prices dropped over the past week. The Brent crude oil futures on the Intercontinental Exchange (ICE) (\$78.50/barrel) depreciated 2.8 per cent. The crude oil futures on the MCX (₹6,427/barrel) was down 4.4 per cent.

BRENT FUTURES (\$78.50)

Brent crude oil futures slipped below the \$80-mark last week. But it managed to close above \$78, a potential support.

That said, there is a good chance for the contract to moderate below \$78 and touch \$76. A breach of the latter can change the near-term outlook bearish. In such a case, the contract can drop to \$72.

If the contract rallies, either from the current level or after a dip to \$76, it can retest \$82.50, a resistance. A breakout can lift the contract to \$90.

MCX-CRUDE OIL (₹6,427)

The February crude oil futures declined all through last week and posted a negative return for the first time in the last five



weeks. Yet, it managed to close above the support at ₹6,400.

Given the current downward momentum, the contract is likely to fall below ₹6,400 and touch ₹6,250, a support. A trendline support coincides at ₹6,250, making it a strong base.

We expect the crude oil futures to rally, either from the current level or after extending the current fall to ₹6,250. Such an upswing can take the contract above ₹7,000. But a break below ₹6,250 can drag the price down to ₹6,000.

Trade strategy: Two weeks back, we suggested buying crude oil futures on a breakout of ₹6,650. Hold this trade with a stop-loss at ₹6,250. When the contract touches ₹7,200, revise the stop-loss upwards to ₹6,900. Exit at ₹7,500.

Trump asks OPEC to cut oil prices to stop Ukraine war

WASHINGTON

US President Donald Trump is emphasising that targeting Russia's oil revenue is the best way to get Moscow to end its nearly three-year war against neighbouring Ukraine.

Trump, who pledged in the campaign that he'd broker a quick end to the grinding conflict, in his first days in office has leaned in on the idea that OPEC+, the alliance of top oil producing nations, holds the key to ending the war by reducing oil prices.

The president on Friday renewed his call on the group of oil producing exporters, led by Saudi Arabia, to reduce the price of oil.

It's a move he says would bleed Russia of much needed revenue to pay for the conflict.

"One way to stop it quickly is for OPEC to stop making so much money," Trump told reporters. "So, OPEC ought to get on the ball and drop the price of oil. And that war will stop right away." But the push on OPEC+ is an uphill battle, according to industry experts.

Trump made similar calls on OPEC+ this week during a virtual address to the World Economic Forum in Davos, Switzerland. Meanwhile, the president's special envoy to Ukraine and Russia, Keith Kellogg, said Friday that OPEC+

cutting oil prices to \$45 per barrel could push Russia to end the war.

"Russia is gaining billions of dollars of money from oil sales," Kellogg said in a *Fox News* interview. "What if you drop that to \$45 a barrel, which is basically a baseline break-even point?" The Saudi and Russian relationship is complicated, though the countries have cooperated on oil.

In 2016, Russia and other oil producers that weren't part of the alliance joined with Saudi Arabia and other members of the oil cartel to form OPEC+. Russia and Saudi Arabia are by far the biggest producers in the expanded alliance. That move was largely made in response to dramatically falling oil prices due to US shale oil output. The United States is not a member of OPEC or OPEC+.

Patrick De Haan, head of petroleum analysis at GasBuddy, said Trump has a better relationship with Saudi Arabia's crown prince, Mohammad bin Salman, than did his predecessor, Democrat Joe Biden. Still, he said, the Saudis 'still have bills to pay,' and Trump is making a 'huge ask'. "Oil companies respond to economics and not to personal favors," he added. The Kremlin dismissed the idea that Russia could be pressed into talks on ending the war by the US and its allies. AP

China tells Rubio to behave himself

Beijing: China's veteran foreign minister has issued a veiled warning to America's new secretary of state: Behave yourself. Foreign Minister Wang Yi conveyed the message in a phone call. "I hope you will act accordingly," Wang told Rubio, employing a Chinese phrase typically used by a teacher warning a student to behave.

Hegseth confirmed as US defence secretary

Washington: The US Senate has narrowly confirmed Pete Hegseth as the country's Defence Secretary after Vice President JD Vance cast a rare tiebreaker vote, approving President Donald Trump's pick to lead the Pentagon after a contentious battle over his nomination amid allegations of sexual assault and alcohol abuse.

Indian-American named as dy press secretary

Washington: US President Donald Trump has appointed Indian-American former journalist Kush Desai as his Deputy Press Secretary. Desai earlier served as Deputy Communications Director for the 2024 Republican National Convention and Communications Director for the Republican Party of Iowa.

Trump asks OPEC to cut oil prices, says it will stop Russia-Ukraine war

AGENCIES

WASHINGTON, JANUARY 25

US PRESIDENT Donald Trump has asked the Organization of the Petroleum Exporting Countries to cut the prices of oil, arguing that it would stop the Russia-Ukraine war.

He had made a similar claim earlier, too. Addressing the annual World Economic Forum at Davos in Switzerland via video conference, Trump accused the OPEC+ alliance of oil-exporting countries of being responsible for the nearly three-year conflict in Ukraine.

"We want to see OPEC cut the price of oil. That will automatically stop the tragedy that's taking place in Ukraine. It's a butchering tragedy for both sides," the US President said on Friday. Noting that a large number of Russian and Ukrainian soldiers have died in the conflict so far, Trump said, "Right now, it's just bullets whacking and hitting men. There are over a million men killed, and they are losing thousands of people a week." "It's crazy. It's a crazy war and it never would have happened if I was president (then). This is crazy that it happened, but we want to stop it."

The US president had earlier said Russian President Vladimir Putin "should make a deal" with Ukraine while asserting that they would meet as soon as they can.

Meanwhile, Ukrainian President Volodymyr Zelenskyy hopes Europe and the United States will be involved in any talks about ending his country's war with Russia, he told reporters on Saturday.

At a joint press conference with President Maia Sandu of neighbouring Moldova, Zelenskyy said Ukraine also needed to be involved in any discussions on ending the war for such negotiations to have any meaningful impact.



Migrants, mostly Venezuelans, are transported aboard a bus from Mexico's National Institute of Migration after being expelled from the US, through the Jeronimo-Santa Teresa border crossing in Ciudad Juarez on Friday. *Reuters*