



# **Pathfinder**

## **Crude Rides Growing Risk Premiums!!**

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# Fundamental Update

- Crude prices have broken out of a prolonged consolidation phase, rising nearly 6% over the last few sessions, as escalating unrest in Iran injected fresh geopolitical risk and lifted risk premium
- Protests in Iran have escalated into a geopolitical standoff, with the U.S. military considering “very strong options” and Tehran warning that any attack would make U.S. bases and shipping legitimate targets
- Iranian output has not yet been disrupted, the risk lies in escalation involving the Strait of Hormuz, through which ~20% of global oil flows
- U.S. capture of Venezuela’s president initially raised supply fears, but follow-up data confirmed Venezuela lacks the capacity to act as a meaningful swing supplier
- Also, Executive orders by US President Trump blocking seizure of Venezuelan oil revenues, threats to exclude Exxon, and political control over investment approvals increases operational uncertainty, reinforcing Venezuela as a long-term risk supply story, not a near-term relief valve
- Near-term price action remains upside-skewed, with pullbacks likely shallow and tactical, unless there is clear geopolitical de-escalation

## Risk Parameters

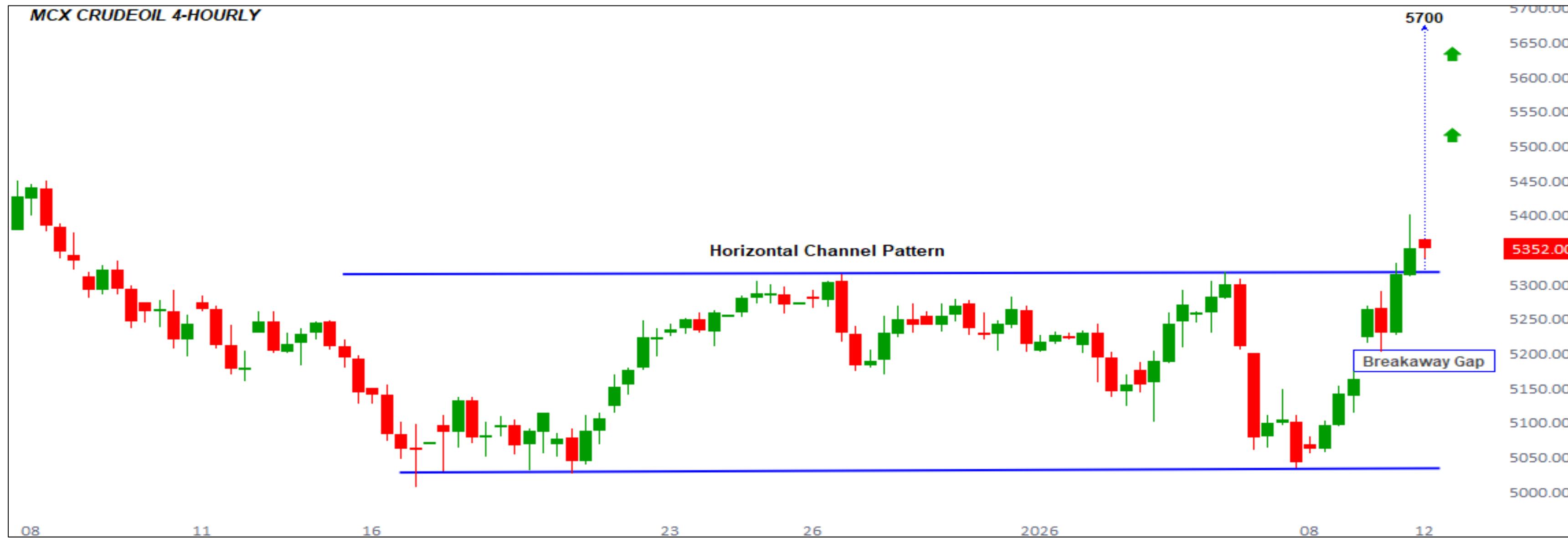
- Structural oversupply caps long-term upside, reflecting resilient U.S. output, steady non-OPEC growth, and continued sanctioned flows
- Demand softness and OSP cuts by Saudi Arabia and Iraq highlight weak Asian demand and intense competition, confirming the physical market is not tight and placing a ceiling on balance-driven rallies

# NYMEX Crude Oil Technical Update



- NYMEX CRUDEOIL on the 4-Hourly chart has given a Symmetrical Triangle Pattern breakout indicating a signs of a fresh rally.
- The series of higher top & higher bottom is suggesting additional bullishness.
- Considering these technical factors, buying on dips is advised at \$58.90 - \$58.70 with a stop-loss below \$55.90 on a closing basis and target level around \$63.

# MCX Crude Oil Technical Update



- On the 4-Hourly chart in MCX Crude oil, prices have given a Horizontal Channel Pattern breakout suggesting positive shift in the momentum
- The channel breakout is preceded by a Breakaway Gap indicating beginning of a new positive trend
- Considering these technical factors, buying on dips is advised at ₹5320 – 5300 range with a stop-loss below ₹5050 on a closing basis and target level around ₹5700

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