



# COMMODITY REPORT

06 January 2017

## ECONOMIC/GLOBAL NEWS

- Gold futures rallied to finish at a five-week high as the dollar continued to slide after minutes from the Federal Reserve's December meeting unsettled investors' expectations about the pace of interest-rate rises. Gold for February delivery gained \$16, or 1.4%, to settle at \$1,181.30 an ounce. MCX Gold February expiry closed at Rs. 27948 per 10 gram, up 0.96%.
- U.S. initial jobless claims dropped to 235,000 in the week ended December 31st, a decrease of 28,000 from the previous week's revised level of 263,000. Continuing claims rose by 16,000 jobs to 2.112 million in the week ended December 24th.
- U.S. ADP private sector employment climbed by 153,000 jobs in December after jumping by a revised 215,000 jobs in November.
- U.S. Markit service sector PMI came in at 53.9 in December. A preliminary survey had put the index at 53.4 for December, lower than the reading of 54.6 in November. The seasonally adjusted final composite PMI fell to 54.1 in December from 54.9 in November.
- U.S. ISM said its non-manufacturing index came in at 57.2 in December, unchanged from the November figure. A reading above 50 indicates growth in the service sector.
- The U.S. Energy Information Administration reported that crude stockpiles declined by 7.1 million barrels for the week ended Dec. 30. Gasoline supplies, however, rose 8.3 million barrels, while distillate stockpiles jumped up by 10.1 million barrels, according to the EIA.
- The EIA data showing supplies of natural gas fell by a much less-than-expected 49 billion cubic feet for the week ended Dec. 30.
- U.K. Markit/CIPS services Purchasing Managers' Index rose unexpectedly to 56.2 in December from 55.2 in November.
- Eurozone producer prices gained unexpectedly by 0.1% in November from prior year, following a 0.4% drop in October. Month-on-month, overall producer prices climbed 0.3%, but slower than the 0.8% increase seen in October.
- Eurozone's retail PMI grew from 48.6 to 50.4 in December.
- Australia had a seasonally adjusted merchandise trade surplus of A\$1.243 billion in November, following the upwardly revised A\$1.119 billion shortfall in October (originally a deficit of A\$1.541 billion). Exports jumped 8.0% on month in November to A\$30.083 billion, while imports were roughly flat at A\$28.840 billion.

Index	05-Jan-17	04-Jan-17	Pts. Ch.	% Change
<b>Dow</b>	19899.29	19942.16	<b>-42.87</b>	<b>-0.21</b>
<b>Nifty</b>	8273.80	8190.50	<b>83.30</b>	<b>1.02</b>
<b>Sensex</b>	26878.24	26633.13	<b>245.11</b>	<b>0.92</b>
<b>USD/INR</b>	67.96	68.05	<b>-0.09</b>	<b>-0.13</b>
<b>Dollar Index</b>	101.53	102.71	<b>-1.18</b>	<b>-1.15</b>
<b>Euro/\$1US</b>	1.0607	1.0488	<b>0.0119</b>	<b>1.13</b>
<b>\$1US/Yen</b>	115.36	117.27	<b>-1.91</b>	<b>-1.63</b>
<b>Pound/\$1US</b>	1.2418	1.2322	<b>0.0096</b>	<b>0.78</b>

### Market Update

- The tech-heavy Nasdaq closed at a record, as the broader stock market finished lower, dragged down by a steep slide in the financial sector and major retailers. The Nasdaq Composite Index closed up 10.93 points, or 0.2%, at 5,487.94. The S&P 500 index declined 1.75 points, or 0.1%, to finish at 2,269.00.
- Indian market ended with decent gains as firmness in most global stocks boosted sentiment.

### Currency Update

- The dollar tumbled to the lowest level a month against major rivals on Thursday, extending weakness from the prior session after minutes of the Federal Reserve's December meeting pointed to a number of risks that could change the path for interest rates. The ICE Dollar Index slumped 1.1% to 101.56. Against the yen, the dollar fell to ¥115.68 from ¥116.64. The euro rose to \$1.0592, from \$1.0526. Late Thursday in New York, the pound changing hands at \$1.2407, up from \$1.2341.
- The rupee continued its winning run for the second day, appreciating by 9 paise to end at 67.96. The domestic unit resumed on a firm footing at 67.87 from Wednesday's closing value of 68.05. Adding muscles to upsurge, the home currency climbed to hit an intra-day high of 67.76 in mid-afternoon deals, but relinquished strong early gains towards the fag-end trade and settled at 67.96, showing a modest gain of 9 paise, or 0.13%. The RBI fixed the reference rate for the dollar at 67.7884.

Name of the ETF	Holdings In Tonnes As		%Ch
	05-Jan-17	04-Jan-17	
<b>SPDR Gold ETF</b>	813.59	813.87	<b>-0.03</b>
<b>iShares Silver Trust</b>	10612.51	10612.51	<b>0.00</b>

Symbol	05-Jan-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1181	16.637	<b>71.00</b>
<b>Gold v/s Crude Oil</b>	1181	53.76	<b>21.97</b>

LME Inventories (In Tonnes)				
Base Metals	05-Jan-17	04-Jan-17	Change	% Change
<b>Aluminum</b>	2222450	2196475	<b>25975</b>	<b>1.18</b>
<b>Copper</b>	301775	305875	<b>-4100</b>	<b>-1.34</b>
<b>Nickel</b>	370920	371724	<b>-804</b>	<b>-0.22</b>
<b>Lead</b>	193875	193900	<b>-25</b>	<b>-0.01</b>
<b>Zinc</b>	427675	427850	<b>-175</b>	<b>-0.04</b>

Bullion	Closing		% Ch
	05-Jan-17	04-Jan-17	
<b>Gold Feb MCX</b>	27948	27682	<b>0.96</b>
<b>Gold Feb Comex</b>	1181	1165	<b>1.37</b>
<b>Silver Mar MCX</b>	40448	40267	<b>0.45</b>
<b>Silver Mar Comex</b>	16.637	16.552	<b>0.51</b>
Energy			
<b>Crude Oil Jan MCX</b>	3636	3621	<b>0.41</b>
<b>Crude Feb Nymex</b>	53.76	53.26	<b>0.94</b>
<b>Natural Gas Jan MCX</b>	218.60	221.10	<b>-1.13</b>
<b>Nat. Gas Feb Henry Hub</b>	3.273	3.267	<b>0.18</b>

Base Metals	Closing		% Ch
	05 - Jan-17	04 - Jan-17	
<b>Aluminium Jan</b>	115.50	114.95	<b>0.48</b>
<b>Copper Feb</b>	380.45	384.05	<b>-0.94</b>
<b>Nickel Jan</b>	696.10	697.10	<b>-0.14</b>
<b>Lead Jan</b>	138.60	141.25	<b>-1.88</b>
<b>Zinc Jan</b>	177.00	178.20	<b>-0.67</b>

## ECONOMIC CALENDER

Friday Jan 06, 2017					
Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Australia	<b>Exports (MoM) (Nov)</b>	<b>8%</b>		1%
6:00 AM	Australia	<b>Imports (MoM) (Nov)</b>	<b>0%</b>		2%
6:00 AM	Australia	<b>Trade Balance (Nov)</b>	<b>1.243B</b>	-0.550B	-1.541B
12:30 PM	Germany	<b>German Factory Orders (MoM) (Nov)</b>		-2.3%	4.9%
12:30 PM	Germany	<b>German Retail Sales (MoM) (Nov)</b>		-0.6%	2.4%
12:30 PM	Germany	<b>German Retail Sales (YoY) (Nov)</b>		1.2%	-1.0%
1:15 PM	France	<b>French Current Account (Nov)</b>			-3.50B
1:15 PM	France	<b>French Exports (Nov)</b>			36.7B
1:15 PM	France	<b>French Imports (Nov)</b>			41.9B
1:15 PM	France	<b>French Trade Balance (Nov)</b>		-4.9B	-5.2B
3:30 PM	Eurozone	<b>Business and Consumer Survey (Dec)</b>		106.8	106.5
3:30 PM	Eurozone	<b>Business Climate (Dec)</b>		0.4	0.4
3:30 PM	Eurozone	<b>Consumer Confidence (Dec)</b>		-5.0	-5.1
3:30 PM	Eurozone	<b>Services Sentiment (Dec)</b>		12.0	12.1
3:30 PM	Eurozone	<b>Industrial Sentiment (Dec)</b>		-1.0	-1.1
3:30 PM	Eurozone	<b>Retail Sales (MoM) (Nov)</b>		-0.4%	1.1%
3:30 PM	Eurozone	<b>Retail Sales (YoY) (Nov)</b>			2.4%
5:00 PM	India	<b>Bank Loan Growth</b>			5.8%
5:00 PM	India	<b>Deposit Growth</b>			15.9%
5:00 PM	India	<b>FX Reserves, USD</b>			359.67B
7:00 PM	U.S.	<b>Nonfarm Payrolls (Dec)</b>		178K	178K
7:00 PM	U.S.	<b>Private Nonfarm Payrolls (Dec)</b>		170K	156K
7:00 PM	U.S.	<b>Trade Balance (Nov)</b>		-42.00B	-42.60B
7:00 PM	U.S.	<b>Unemployment Rate (Dec)</b>		4.7%	4.6%
8:30 PM	U.S.	<b>Factory Orders (MoM) (Nov)</b>		-2.2%	2.7%

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