



# COMMODITY REPORT

10 January 2017

## ECONOMIC/GLOBAL NEWS

- Natural gas prices sank into a bear market, hitting a one-month low because of winter weather forecasts that keep getting progressively warmer. February natural gas dropped 18.2 cents, or 5.54%, to \$3.103 per million British thermal units. MCX Natural Gas January expiry closed at Rs. 212.70 per British thermal unit, down 5.17%.
- China consumer prices were up 2.1% on year in December, down from 2.3% in November. On a monthly basis, inflation added 0.2% after gaining 0.1% a month earlier. The producer prices jumped an annual 5.5%, up from 3.3% in the previous month.
- U.S. consumer credit increased by \$24.53 billion in November of 2016, following an upwardly revised \$16.17 billion rise in October.
- U.K. house prices climbed 6.5% in three months to December from last year after rising 6.0% in the three months ended November. On a monthly basis, house prices grew at a faster rate of 1.7% in December, following a 0.6% increase in the prior month.
- Eurozone seasonally adjusted unemployment rate was 9.8%, unchanged from October. The rate was the lowest since July 2009. A year ago, the jobless rate was 10.5%.
- Eurozone economic sentiment index for Eurozone climbed to 18.2 in January from 10 in December.
- Germany's exports logged a monthly increase of 3.9%, following a 0.5% rise in October. Likewise, imports growth more than doubled to 3.5% from 1.2%. As a result, the trade surplus increased to a seasonally adjusted EUR 21.7 billion from EUR 20.6 billion a month ago.
- Germany's industrial production climbed 0.4% from October, when it grew by a revised 0.5%.
- Australia's total value of retail sales were up a seasonally adjusted 0.2% on month in November - coming in at A\$25.664 billion. That was down from the 0.5% gain in October.

Index	09-Jan-17	06-Jan-17	Pts. Ch.	% Change
<b>Dow</b>	19887.38	19963.80	<b>-76.42</b>	<b>-0.38</b>
<b>Nifty</b>	8236.05	8243.80	<b>-7.75</b>	<b>-0.09</b>
<b>Sensex</b>	26726.55	26759.23	<b>-32.68</b>	<b>-0.12</b>
<b>USD/INR</b>	68.21	67.97	<b>0.24</b>	<b>0.35</b>
<b>Dollar Index</b>	101.91	102.21	<b>-0.30</b>	<b>-0.29</b>
<b>Euro/\$1US</b>	1.0574	1.0533	<b>0.0041</b>	<b>0.39</b>
<b>\$1US/Yen</b>	116.03	116.92	<b>-0.89</b>	<b>-0.76</b>
<b>Pound/\$1US</b>	1.2162	1.2287	<b>-0.0125</b>	<b>-1.02</b>

## Market Update

- U.S. stocks retreated as the Dow Jones Industrial Average pulled back further from the psychologically significant 20,000 milestone, although the Nasdaq bucked the weak trend to finish at an all-time closing high for a second session in a row. The S&P 500 index lost 8.08 points, or 0.4%, to finish at 2,268.90. The Nasdaq Composite Index rose 10.76 points, or 0.2%, to end at 5,531.82.
- Trading for the week began on a dull note as Nifty and Sensex registered small losses in a lacklustre session of trade. Market sentiment was sombre amid weakness in European stock indices and mixed trend among Asian peers.

## Currency Update

- The British pound, triggered by fresh worries of a "hard Brexit," tumbled to lows not seen since October. The pound dropped to a low of \$1.2122, the lowest since Oct. 28, 2016, when it hit \$1.2112. The Sterling changed hands at \$1.2162, down 1.1% from \$1.2295. The ICE Dollar Index fell 0.2% to 101.99, from 102.26. The WSJ Dollar Index declined 0.2% to 92.66. Against the euro, the dollar weakened 0.4%, with euro buying \$1.0570, from \$1.0533. Against the yen, the greenback weakened 0.6%, trading at ¥116.17, down from ¥116.92.
- The Indian rupee weakened to near one week low against the US dollar, tracking the losses in the Asian currencies markets and also on the pessimism on domestic markets following lower economic growth projections. The home currency closed at 68.21 a dollar-a level last seen on 3 January, down 0.35% from Friday's close of 67.97. The rupee opened at 68.16 a dollar.

Name of the ETF	Holdings In Tonnes As		%Ch
	09-Jan-17	06-Jan-17	
<b>SPDR Gold ETF</b>	805.00	813.59	<b>-1.06</b>
<b>iShares Silver Trust</b>	10612.51	10612.51	<b>0.00</b>

Symbol	09-Jan-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1185	16.683	<b>71.02</b>
<b>Gold v/s Crude Oil</b>	1185	51.96	<b>22.80</b>

LME Inventories (In Tonnes)				
Base Metals	09-Jan-17	06-Jan-17	Change	% Change
<b>Aluminum</b>	2215925	2217025	<b>-1100</b>	<b>-0.05</b>
<b>Copper</b>	294900	295125	<b>-225</b>	<b>-0.08</b>
<b>Nickel</b>	372012	370920	<b>1092</b>	<b>0.29</b>
<b>Lead</b>	193300	193700	<b>-400</b>	<b>-0.21</b>
<b>Zinc</b>	427225	427600	<b>-375</b>	<b>-0.09</b>

Bullion	Closing		% Ch
	09-Jan-17	06-Jan-17	
<b>Gold Feb MCX</b>	28051	27887	<b>0.59</b>
<b>Gold Feb Comex</b>	1185	1173	<b>0.98</b>
<b>Silver Mar MCX</b>	40688	40342	<b>0.86</b>
<b>Silver Mar Comex</b>	16.683	16.519	<b>0.99</b>
Energy			
<b>Crude Oil Jan MCX</b>	3574	3682	<b>-2.93</b>
<b>Crude Feb Nymex</b>	51.96	53.99	<b>-3.76</b>
<b>Natural Gas Jan MCX</b>	212.70	224.30	<b>-5.17</b>
<b>Nat. Gas Feb Henry Hub</b>	3.103	3.285	<b>-5.54</b>

Base Metals	Closing		% Ch
	09 - Jan-17	06 - Jan-17	
<b>Aluminium Jan</b>	117.45	116.65	<b>0.69</b>
<b>Copper Feb</b>	382.95	383.55	<b>-0.16</b>
<b>Nickel Jan</b>	706.90	700.50	<b>0.91</b>
<b>Lead Jan</b>	143.75	140.60	<b>2.24</b>
<b>Zinc Jan</b>	182.00	178.05	<b>2.22</b>

## ECONOMIC CALENDER

Tuesday Jan 10, 2017					
Time	Country	Event	Actual	Forecast	Previous
1:30 AM	U.S.	<b>Consumer Credit (Nov)</b>	<b>24.53B</b>	18.43B	16.02B
6:00 AM	Australia	<b>Retail Sales (MoM) (Nov)</b>	<b>0.2%</b>	0.4%	0.5%
7:00 AM	China	<b>CPI (YoY) (Dec)</b>	<b>2.1%</b>	2.3%	2.3%
7:00 AM	China	<b>CPI (MoM) (Dec)</b>	<b>0.2%</b>	0.3%	0.1%
7:00 AM	China	<b>PPI (YoY) (Dec)</b>	<b>5.5%</b>	4.5%	3.3%
1:15 PM	France	<b>French Industrial Production (MoM) (Nov)</b>		0.6%	-0.2%
Tentative	China	<b>M2 Money Stock (YoY)</b>		11.4%	11.4%
Tentative	China	<b>New Loans</b>		676.0B	794.6B
8:30 PM	U.S.	<b>Wholesale Inventories (MoM) (Nov)</b>		0.9%	0.9%

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