



COMMODITY REPORT

11 January 2017

ECONOMIC/GLOBAL NEWS

- Natural gas prices made their second-largest gains of the past month, with colder long-term forecasts helping to spark a rebound from steep losses that had sent the market to a one-month low the day before. February natural gas added 17.5 cents, or 5.64%, to \$3.278 per million British thermal units. MCX Natural Gas January expiry closed at Rs. 224.60 per British thermal unit, up 5.59%.
- U.S. wholesale inventories surged up by 1.0% in November after edging down by a revised 0.1% in October.
- The American Petroleum Institute reported a rise of 1.5 million barrels in U.S. crude supplies for the week ended Jan. 6.
- France's industrial production logged a monthly expansion of 2.2% in November, in contrast to October's 0.1% fall.
- Japan's leading index rose to 102.7 in November from 100.8 in October.
- South Korea's export prices picked up 2.9% on month in December. That follows the 3.8% increase in November. On a yearly basis, export prices gained 6.3% after climbing 3.5% in the previous month. Import prices were up 4.2% on month after adding 2.4% in November. Import prices also jumped 9.2% on year after gaining 3.6% a month earlier.
- Brazil retail sales grew 2% in November month-on-month following 0.3% decline in October. On a year-on-year basis, sales declined 3.5% after an 8.1% slump in October.
- Switzerland's jobless rate held steady at seasonally adjusted 3.3% in December. e unemployment rate rose to 3.5% from 3.3% in November. The number of unemployed increased by 10,144 to 159,372 in December.
- Malaysia's industrial production grew 6.2% year-over-year in November, well above the 4.2% climb in the previous month. Manufacturing production advanced 6.5% annually in November and the mining sector output rose steadily by 4.7%.
- New Zealand's total job ads rose a seasonally adjusted 1.6% month-over-month in December, following a 3.1% climb in November.
- New Zealand QV Residential Price Movement Index grew 12.5% year-over-year in December. The average value nationwide was NZ\$627,905.

Index	10-Jan-17	09-Jan-17	Pts. Ch.	% Change
Dow	19855.53	19887.38	-31.85	-0.16
Nifty	8288.60	8236.05	52.55	0.64
Sensex	26899.56	26726.55	173.01	0.65
USD/INR	68.18	68.20	-0.03	-0.04
Dollar Index	102.00	101.91	0.09	0.09
Euro/\$1US	1.0554	1.0574	-0.0020	-0.19
\$1US/Yen	115.77	116.03	-0.26	-0.22
Pound/\$1US	1.2177	1.2162	0.0015	0.12

Market Update

- The Nasdaq Composite notched its fourth record close in a row, representing the longest stretch of record closes for the tech-heavy index since 1999. The Nasdaq Composite Index shined, finishing up 20.00 points, or 0.4%, at 5,551.82. The S&P 500 index ended at its flattest level in years, unchanged from Monday at 2,268.90.
- Indian market registered modest gains in what was a steady session of trade.

Currency Update

- The U.S. dollar ended mostly flat against its major rivals as investors held off on drastically changing their positions a day ahead of Donald Trump's scheduled news conference, which could provide clarity regarding the president-elect's legislative agenda. The ICE U.S. dollar index rose less than 0.1% to 102.01. It remains about 1% away from its highest level since 2002. Meanwhile, the WSJ Dollar Index was flat at 92.65. Against the yen, the greenback traded at ¥115.68 from ¥116.01. It dropped to ¥115.20. The euro traded at \$1.0560 from \$1.0592. The pound traded at break-even at \$1.2167.
- The rupee surrendered most of its early strong gains but eventually managed to end higher by three paise at 68.18 against the American currency in a range bound trade amid weak dollar overseas. The domestic unit opened on a strong footing at 68.08 from Monday's closing value of 68.20 and gained further ground to touch an intra-day high of 67.98 in late morning deals. However, it witnessed high amount of volatility towards the fag-end trade after moving erratically in a range following some dollar demand and relinquished early strong gains to end marginally higher at 68.18, showing a small gain of 3 paise, or 0.04%. The RBI fixed the reference rate for the dollar at 68.0641.

Name of the ETF	Holdings In Tonnes As		%Ch
	10-Jan-17	09-Jan-17	
SPDR Gold ETF	805.00	805.00	0.00
iShares Silver Trust	10612.51	10612.51	0.00

Symbol	10-Jan-17		Ratio
	Close	Close	
Gold v/s Silver	1186	16.848	70.36
Gold v/s Crude Oil	1186	50.82	23.33

LME Inventories (In Tonnes)				
Base Metals	10-Jan-17	09-Jan-17	Change	% Change
Aluminum	2232725	2215925	16800	0.76
Copper	293400	294900	-1500	-0.51
Nickel	371964	372012	-48	-0.01
Lead	193300	193300	0	0.00
Zinc	426425	427225	-800	-0.19

Bullion	Closing		% Ch
	10-Jan-17	09-Jan-17	
Gold Feb MCX	28144	28051	0.33
Gold Feb Comex	1186	1185	0.05
Silver Mar MCX	41096	40688	1.00
Silver Mar Comex	16.848	16.683	0.99
Energy			
Crude Oil Jan MCX	3513	3574	-1.71
Crude Feb Nymex	50.82	51.96	-2.19
Natural Gas Jan MCX	224.60	212.70	5.59
Nat. Gas Feb Henry Hub	3.278	3.103	5.64

Base Metals	Closing		% Ch
	10 - Jan-17	09 - Jan-17	
Aluminium Jan	119.05	117.45	1.36
Copper Feb	395.15	382.95	3.19
Nickel Jan	721.00	706.90	1.99
Lead Jan	148.85	143.75	3.55
Zinc Jan	185.15	182.00	1.73

ECONOMIC CALENDER

Wednesday Jan 11, 2017					
Time	Country	Event	Actual	Forecast	Previous
3:05 AM	U.S.	API Weekly Crude Oil Stock	1.500M	1.750M	-7.400M
3:00 PM	U.K.	Industrial Production (MoM) (Nov)		0.8%	-1.3%
3:00 PM	U.K.	Industrial Production (YoY) (Nov)		0.6%	-1.1%
3:00 PM	U.K.	Manufacturing Production (MoM) (Nov)		0.5%	-0.9%
3:00 PM	U.K.	Manufacturing Production (YoY) (Nov)		0.4%	-0.4%
3:00 PM	U.K.	Trade Balance (Nov)		-11.20B	-9.71B
9:00 PM	U.S.	Crude Oil Inventories		1.162M	-7.051M
9:00 PM	U.S.	EIA Weekly Distillates Stocks		0.899M	10.051M
9:00 PM	U.S.	Gasoline Inventories		1.638M	8.307M

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