

04 November 2017

- Oil rallied, with U.S. and global benchmark prices tallying their highest settlements in more than two years as a drop in the U.S. oil-rig count hinted at an output slowdown. December West Texas Intermediate crude oil rose \$1.74, or 3.23%, to settle at \$55.64 a barrel, marking its highest settlement price since July 2, 2015. MCX Crude Oil November expiry closed at Rs. 3579 per barrel, up 2.23% for the week.
- China's official manufacturing PMI fell more-than-expected to 51.6 in October from 52.4 in September. The non-manufacturing PMI dropped to 54.3 from 55.4 a month ago.
- China's Caixin composite output index, which covers both manufacturing and services, dropped to 51.0 in October from 51.4 in September. The seasonally adjusted Caixin China General Services Business Activity Index rose to 51.2 from 50.6. The factory sector came in at 51.0 in October, the same reading as in September.
- The Federal Reserve is still likely to raise interest rates in December thanks to a "solid" U.S. economy, according to the central bank's latest monetary policy announcement. As expected, the Fed maintained its key interest rate at 1%-1.25%, a nod to "soft" inflation.
- U.S. economy added 261,000 jobs in October, after unexpectedly generating only 18,000 jobs in September. Private payrolls surged by 219,000 jobs in October after falling by 3,000 in September. Manufacturing employment increased by 24,000 jobs. Unemployment fell to 4.1% from 4.2%, but only because 765,000 people stopped looking for work.
- U.S. initial jobless claims edged down to 229,000 in the week ended October 28th, a decrease of 5,000 from the previous week's revised level of 234,000. Continuing claims dropped by 15,000 to 1.884 million in the week ended October 21st.
- U.S. trade deficit widened in September to \$43.5 billion, compared to a figure of \$42.8 billion in the previous month.
- U.S. ADP said private sector employment climbed by 235,000 jobs in October after rising by a downwardly revised 110,000 jobs in September.
- U.S. factory goods orders increased 1.4% for a second straight month in September. Orders increased by an unrevised 1.2% in August.
- U.S. Conference Board said its consumer confidence index jumped to 125.9 in October from an upwardly revised 120.6 in September.
- The American Petroleum Institute reported that U.S. crude supplies dropped by 5.1 million barrels for the week ended Oct. 27. The API data also showed a decline of 7.7 million barrels in gasoline stockpiles, while inventories of distillates lost 3.1 million barrels.
- The U.S. Energy Information Administration showed that domestic crude supplies fell by 2.4 million barrels for the week ended Oct. 27. Gasoline stockpiles dropped by 4 million barrels for the week, while distillate stockpiles fell 300,000 barrels.
- The EIA reported that supplies of Natural Gas rose by 65 billion cubic feet for the week ended October 27th. The rise came in above the five-year average of 60 billion cubic feet. Total natural gas in storage currently stands at 3.775 trillion cubic feet (tcf). That figure is 180 bcf, or around 4.5%, lower than levels at this time a year ago and 41 bcf, or roughly 1.1%, below the five-year average for this time of year.
- The Bank of England raised its key rate for the first time in a decade despite Brexit hurting the economy, as inflation sticks to upward trend on a weaker pound. The Monetary Policy Committee, headed by Governor Mark Carney, decided to lift the benchmark rate by 25 basis points to 0.50%. This was the first rate hike since July 2007. The MPC voted 7-2 to raise the interest rate. Policymakers voted unanimously to maintain the quantitative easing at GBP 435 billion.
- U.K. GfK consumer confidence index fell by one point to -10 in October.
- Eurozone gross domestic product climbed 0.6% quarter-on-quarter, but the rate was slightly slower than the revised 0.7% expansion seen in the second quarter. On a yearly basis, the currency bloc grew 2.5%, which was faster than the 2.3% rise logged in the second quarter.
- Eurozone unemployment rate reached its lowest level since January 2009. The jobless rate fell to 8.9% in September from revised 9% in August.
- Eurozone economic sentiment index improved more-than-expected to 114.0 in October from 113.1 in September. The retail trade confidence index climbed to 5.5 from 3.0 a month ago.
- German unemployment declined in October, the number of people out of work decreased by adjusted 11,000 to 2.495 million. The jobless rate remained unchanged at 5.6%, the lowest since reunification in 1990.
- France's gross domestic product grew 0.5% sequentially in the third quarter, slightly slower than the revised 0.6% expansion posted in the second quarter. Compared to the third quarter of 2016, GDP rose 2.2%, such a growth rate had not been observed since 2011.
- India's fiscal deficit improves to 91.3% of the budget estimate at the end of September from 96.1% at the end of August as revenues picked up pace. The government has so far maintained that the target will be met. In absolute terms, fiscal deficit is pegged at Rs 4.99 lakh crore at the end of September, down about Rs 26,000 crore from August as second instalment of corporate taxes allowed revenue to exceed spending in the month. The core sector grew at a six-month high of 5.2% in September.
- India's Nikkei manufacturing PMI dropped to 50.3 in October from 51.2 in September. Services PMI climbed to 51.7 in October from 50.7 in September.

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PRECIOUS METALS

Precious Metals	03 - Nov -17	27 - Oct -17	% Change
Gold Dec MCX	29088	29318	-0.78
Gold Dec Comex	1269	1272	-0.22
Silver Dec MCX	39048	39149	-0.26
Silver Dec Comex	16.834	16.752	0.49

Name of the ETF	Holdings In Tonnes As		
	03 - Nov -17	27 - Oct -17	%Ch
SPDR Gold ETF	845.75	850.77	-0.59
iShares Silver Trust	9922.58	9962.09	-0.40

Precious Metals	Contract	LTP	Sup-3	Sup-2	Sup-1	Pivot Point	Res -1	Res -2	Res -3
Gold – MCX	Dec-17	29088	28627	28848	28968	29189	29309	29530	29650
Gold – COMEX	Dec-17	1269	1243	1254	1262	1273	1281	1293	1300
Silver – MCX	Dec-17	39048	37312	38000	38524	39212	39736	40424	40948
Silver – COMEX	Dec-17	16.834	15.958	16.301	16.568	16.911	17.178	17.521	17.788

Precious Metals	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Gold – MCX	Simple	Dec-17	29088	29224	29324	29524	29664	29094	28964
	Exponential			29214	29294	29424	29444	29264	29124
Gold – COMEX	Simple	Dec-17	1269	1275	1274	1283	1295	1287	1271
	Exponential			1273	1276	1279	1285	1285	1276
Silver – MCX	Simple	Dec-17	39048	39294	39344	39744	39994	39044	40024
	Exponential			39314	39414	39584	39634	39594	39994
Silver – COMEX	Simple	Dec-17	16.834	16.938	16.915	17.056	17.122	16.957	17.095
	Exponential			16.944	16.969	16.969	17.002	17.064	17.171

BASE METALS

BASE METAL	03 - Nov -17	27 - Oct -17	Change
Aluminium Nov MCX	140.95	141.60	-0.46
Copper Nov MCX	445.80	445.80	0.00
Nickel Nov MCX	820.10	753.80	8.80
Lead Nov MCX	159.90	158.15	1.11
Zinc Nov MCX	208.90	208.20	0.34

LME Inventories Data			
Base Metals	03 - Nov -17	27 - Oct -17	Change
Aluminum	1181300	1196600	-1.28%
Copper	270400	272625	-0.82%
Nickel	384054	384294	-0.06%
Lead	148475	149575	-0.74%
Zinc	249250	260825	-4.44%

BASE METAL	Contract	Cls Pr	Sup-3	Sup-2	Sup-1	Pivot Point	Res -1	Res -2	Res -3
Aluminum	Nov-17	140.95	135.00	136.90	138.90	140.80	142.80	144.70	146.70
Copper	Nov-17	445.80	429.30	436.10	440.90	447.70	452.50	459.30	464.10
Nickel	Nov-17	820.10	667.00	706.40	763.20	802.60	859.40	898.80	955.60
Lead	Nov-17	159.90	150.70	153.10	156.50	159.00	162.40	164.80	168.20
Zinc	Nov-17	208.90	198.00	203.30	206.10	211.30	214.10	219.40	222.20

BASE METAL	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Copper – MCX	Simple	Nov-17	445.80	446.40	451.00	451.30	439.30	416.90	398.50
	Exponential			447.40	448.90	447.70	437.60	422.60	405.80
Copper – COMEX	Simple	Dec-17	3.118	3.116	3.130	3.143	3.044	2.973	2.785
	Exponential			3.123	3.128	3.111	3.057	2.971	2.827

ENERGY

ENERGY	03 - November -17	27 - October -17	Change
Crude Oil Nov MCX	3579	3501	2.23
Crude Nymex Dec	55.64	53.90	3.23
Natural Gas Nov MCX	194.20	194.20	0.00
Natural Gas Henry Hub Dec	2.984	2.964	0.67

ENERGY	Contract	Cls Pr	Sup - 3	Sup - 2	Sup - 1	Pivot Point	Res - 1	Res - 2	Res - 3
Crude Oil – MCX	Nov-17	3579	3404	3443	3511	3550	3618	3657	3725
Crude Oil – NYMEX	Dec-17	55.64	52.33	53.04	54.34	55.05	56.35	57.06	58.36
Natural Gas – MCX	Nov-17	194.20	176.30	180.60	187.40	191.70	198.50	202.80	209.60
Natural Gas – COMEX	Dec-17	2.984	2.726	2.787	2.885	2.946	3.044	3.105	3.203

ENERGY	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Crude Oil – MCX	Simple	Nov-17	3579	3528	3477	3407	3275	3139	3222
	Exponential			3526	3485	3427	3314	3238	3210
Crude Oil–NYMEX	Simple	Dec-17	55.64	54.57	53.81	52.73	51.19	49.49	48.80
	Exponential			54.58	53.95	53.08	51.48	50.27	49.33
Natural Gas – MCX	Simple	Nov-17	194.20	190.60	191.40	190.80	192.30	191.00	196.60
	Exponential			191.30	191.00	191.30	191.70	193.00	195.00
Natural Gas–COMEX	Simple	Dec-17	2.984	2.937	2.918	2.933	2.955	2.948	3.031
	Exponential			2.938	2.931	2.930	2.939	2.968	2.993

OUTLOOK

**PRECIOUS METALS:** Likely to remain range-bound with positive bias. Trade tracking support and resistance.

**BASE METALS:** Likely to remain range-bound with negative bias. Trade tracking support and resistance.

**ENERGY:** Likely to remain range-bound with positive bias. Trade tracking support and resistance.

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