

09 September 2017

- Natural gas prices for October fell 18 cents from Sept. 1 to 8 as a trifecta of factors created the only logical path for forward markets during the short holiday week. Losses on a national level were pushed lower due to a substantially weaker price across the Northeast, where an unseasonably strong cool front that swept across the central, southern, and eastern United States earlier in the week has left cooler-than-normal temperatures in its wake, with highs expected to reach the 60s and 70s through the weekend. Natural gas for October ended down 18 cents, or 5.86%, to \$2.89 per million British thermal units for the week. MCX Natural Gas September expiry closed at Rs. 185.60 per British thermal unit, down 5.74%.
- China's exports increased 5.5% year-on-year in August, slower than July's initially estimated 7.2% growth. Imports advanced 13.3% annually, faster than the expected growth of 10%. As a result, the trade surplus totaled \$42 billion in August versus the expected level of \$48.5 billion.
- China's consumer inflation rose 1.8% year-on-year in August, up from July's 1.4%. On a monthly basis, the index was up 0.4% last month. Producer price index rose 6.3% year-on-year in August. The pace of PPI growth accelerated from 5.5% in July. On a month-on-month basis, the index was up 0.9% last month. PPI grew 6.4% year-on-year for January-August.
- China Caixin services sector continued to expand in August, with a services PMI score of 52.7. That was up from 51.5 in July. The composite PMI came in with a score of 52.4, up from 51.9 in the previous month.
- China's foreign exchange reserves increased by \$10.81 billion for a seventh straight month in August from the month before to \$3.092 trillion, following a gain of \$24 billion in July.
- U.S. initial jobless claims jumped to 298,000 in the week ended September 2nd, an increase of 62,000 from the previous week's unrevised level of 236,000. Continuing claims dipped by 5,000 to 1.940 million in the week ended August 26th.
- U.S. trade deficit widened to \$43.7 billion in July from a revised \$43.5 billion in June. The value of exports dipped by 0.3% to \$194.4 billion in July from \$194.9 billion in June. Meanwhile, the value of imports edged down by 0.2% to \$238.1 billion in July from \$238.5 billion in the previous month.
- Federal Reserve in its Beige Book noted concerns about a prolonged slowdown in the auto industry and said it was too soon to gauge the impact of Hurricane Harvey on the broader economy.
- U.S. factory orders plunged by 3.3% in July after surging up by an upwardly revised 3.2% in June.
- U.S. ISM said its non-manufacturing index climbed to 55.3 in August after falling to 53.9 in July.
- U.S. consumer credit jumped by \$18.5 billion in July after rising by a downwardly revised \$11.8 billion in June.
- U.S. labor productivity climbed by 1.5% in the second quarter compared to the previously reported 0.9% increase.
- The American Petroleum Institute that U.S. crude supplies rose 2.8 million barrels for the week ended Sept. 1, but gasoline stockpiles fell by 2.5 million barrels.
- The U.S. Energy Information Administration said domestic crude supplies climbed by 4.6 million barrels for the week ended Sept. 1. Gasoline stockpiles were down 3.2 million barrels for the week, while distillate stockpiles edged down by 1.4 million barrels, according to the EIA.
- The U.S. Energy Information Administration showed that domestic supplies of natural gas rose by 65 billion cubic feet for the week ended Sept. 1. Total stocks now stand at 3.220 trillion cubic feet, down 212 billion cubic feet from a year ago, but 15 billion cubic feet above the five-year average, the government said.
- U.K. trade deficit in goods edged up to 11.576 billion pounds in July from a sharply downwardly revised 11.527 billion pounds for June.
- U.K. industrial production grew 0.2% month-on-month in July, slower than the 0.5% increase seen in June. The manufacturing output, which advanced 0.5%. Year-on-year, industrial production growth improved marginally to 0.4% in July from 0.3% in June. Manufacturing output increased 1.9% annually after expanding 0.6% a month ago.
- The European Central Bank left its interest rates and asset purchases unchanged and retained its downward bias on asset purchases. The main refi rate was held at a record low zero% and the deposit rate at -0.40%. The marginal lending facility rate was kept at 0.25%. The bank also retained its monthly asset purchases of EUR 60 billion that are set to run till December 2017. The size was reduced in March from EUR 80 billion.
- Eurozone gross domestic product grew 0.6% sequentially in the second quarter, faster than the 0.5% expansion seen in the first quarter. Year-on-year, GDP climbed 2.3% instead of 2.2% estimated previously.
- Eurozone retail sales decreased 0.3% month-on-month in July, partially offsetting June's 0.6% increase. Year-on-year, retail sales growth eased to 2.6% in July, from 3.3% in June.
- Eurozone investor confidence index rose to 28.2 in September from 27.7 in August. The current situation index fell to 39.75 from 40.0 in the previous month.
- German exports grew 0.2% month-on-month in July, reversing a 2.7% fall in June. At the same time, imports advanced 2.2%, in contrast to a 4.4% decline in June. As a result, the trade surplus decreased to around adjusted EUR 19.6 billion from EUR 21.2 billion a month ago.
- Germany's industrial production remained unchanged in July, industrial production showed nil growth following a 1.1% decrease in June.
- German factory orders fell 0.7% month-on-month in July, in contrast to a revised 0.9% rise in June.
- French trade shortfall rose to EUR 5.97 billion in July from EUR 4.88 billion in June. Exports rose 0.5% month-over-month in July, reversing a 2.6% fall in the prior month. Imports rebounded strongly by 3.1% from June, when it dropped by 2.1%.
- France's industrial production rose 0.5% month-over-month in July, reversing a 1.1% drop in June. On a yearly basis, industrial production advanced 3.1% in July.
- India's seasonally adjusted Nikkei India composite output index rose to 49.0 in August from 46.0 in July. The headline Nikkei Services PMI climbed to 47.5 in August from 45.9 in the prior month.

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PRECIOUS METALS

Precious Metals	08 - Sep -17	01 - Sep -17	% Change
Gold Oct MCX	30268	29823	1.49
Gold Dec Comex	1351	1330	1.56
Silver Dec MCX	41570	40926	1.57
Silver Sep Comex	18.123	17.816	1.72

Name of the ETF	Holdings In Tonnes As		
	08 - Sep -17	01 - Sep -17	%Ch
SPDR Gold ETF	834.50	831.21	0.40
iShares Silver Trust	10173.58	10304.24	-1.27

Precious Metals	Contract	LTP	Sup-3	Sup-2	Sup-1	Pivot Point	Res -1	Res -2	Res -3
Gold – MCX	Oct-17	30268	29472	29713	29991	30232	30510	30751	31029
Gold – COMEX	Dec-17	1351	1303	1317	1334	1348	1365	1380	1397
Silver – MCX	Dec-17	41570	40411	40785	41178	41552	41945	42319	42712
Silver – COMEX	Dec-17	18.123	17.420	17.628	17.875	18.083	18.330	18.538	18.785

Precious Metals	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Gold – MCX	Simple	Oct-17	30268	30194	29924	29534	28794	28734	28624
	Exponential			30144	29934	29574	29124	28914	29014
Gold – COMEX	Simple	Dec-17	1351	1345	1335	1315	1284	1269	1254
	Exponential			1344	1335	1320	1295	1276	1267
Silver – MCX	Simple	Dec-17	41570	40924	40464	39754	38524	38854	40114
	Exponential			41124	40594	39934	39214	39334	40244
Silver – COMEX	Simple	Dec-17	18.123	17.936	17.764	17.406	16.882	16.833	17.241
	Exponential			17.929	17.759	17.496	17.128	17.030	17.230

BASE METALS

BASE METAL	08 - Sep -17	01 - Sep -17	Change
Aluminium Sept MCX	132.85	136.05	-2.35
Copper Nov MCX	431.10	441.95	-2.46
Nickel Sept MCX	734.00	773.80	-5.14
Lead Sept MCX	143.75	152.65	-5.83
Zinc Sept MCX	193.65	204.80	-5.44

LME Inventories Data			
Base Metals	08 - Sep -17	01 - Sep -17	Change
Aluminum	1321500	1323550	-0.15%
Copper	213175	223500	-4.62%
Nickel	384978	388824	-0.99%
Lead	164375	148425	10.75%
Zinc	241800	244025	-0.91%

BASE METAL	Contract	Cls Pr	Sup-3	Sup-2	Sup-1	Pivot Point	Res -1	Res -2	Res -3
Aluminum	Sep-17	132.85	127.50	129.90	131.40	133.80	135.30	137.70	139.20
Copper	Nov-17	431.10	402.50	416.30	423.70	437.50	444.90	458.70	466.10
Nickel	Sep-17	734.00	662.20	697.30	715.70	750.80	769.20	804.30	822.70
Lead	Sep-17	143.75	129.80	136.50	140.10	146.80	150.40	157.10	160.70
Zinc	Sep-17	193.65	177.20	185.30	189.50	197.60	201.80	209.90	214.10

BASE METAL	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Copper – MCX	Simple	Nov-17	431.10	443.60	439.20	429.40	409.00	388.30	388.50
	Exponential			439.90	437.80	430.50	413.30	399.10	384.80
Copper – COMEX	Simple	Sep-17	3.042	3.112	3.102	3.049	2.918	2.762	2.696
	Exponential			3.093	3.087	3.053	2.936	2.832	2.694

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ENERGY

ENERGY	08 - September -17	01 - September -17	Change
Crude Oil Sep MCX	3045	3021	0.79
Crude Nymex Oct	47.48	47.29	0.40
Natural Gas Sep MCX	185.60	196.90	-5.74
Natural Gas Henry Hub Oct	2.890	3.070	-5.86

ENERGY	Contract	Cls Pr	Sup - 3	Sup - 2	Sup - 1	Pivot Point	Res - 1	Res - 2	Res - 3
Crude Oil – MCX	Sep-17	3045	2815	2912	2979	3076	3143	3240	3307
Crude Oil – NYMEX	Oct-17	47.48	44.34	45.75	46.61	48.02	48.88	50.29	51.15
Natural Gas – MCX	Sep-17	185.60	170.60	177.90	181.70	189.00	192.80	200.10	203.90
Natural Gas – COMEX	Oct-17	2.890	2.656	2.771	2.830	2.945	3.004	3.119	3.178

ENERGY	Moving Avg	Contract	Cls Pr	MA5	MA10	MA20	MA50	MA100	MA200
Crude Oil – MCX	Simple	Sep-17	3045	3103	3046	3055	3050	3051	3266
	Exponential			3087	3073	3067	3060	3093	3141
Crude Oil–NYMEX	Simple	Oct-17	47.48	48.36	47.60	47.67	47.91	47.25	49.13
	Exponential			48.12	47.98	47.95	47.73	47.92	48.12
Natural Gas – MCX	Simple	Sep-17	185.60	190.90	191.30	189.80	189.10	195.50	205.10
	Exponential			190.00	190.40	189.80	190.50	194.00	197.90
Natural Gas–COMEX	Simple	Oct-17	2.890	2.973	2.992	2.959	2.937	2.991	3.042
	Exponential			2.962	2.971	2.958	2.959	2.979	3.003

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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