



# COMMODITY REPORT

01 March 2017

## ECONOMIC/GLOBAL NEWS

- Oil futures lost a few pennies as traders' awaited data that may reveal a rise in U.S. crude inventories for an eighth week in a row. On the New York Mercantile Exchange, April West Texas Intermediate crude fell by 4 cents, or less than 0.07%, to settle at \$54.01 a barrel. MCX Crude Oil March expiry closed at Rs. 3566 per barrel, down 1.57%.
- China Caixin manufacturing sector continued to expand in February, with a manufacturing PMI score of 51.7.
- China NBS manufacturing sector continued to expand in February, with a manufacturing PMI score of 51.6, up from 51.3 in January. The bureau also said that the non-manufacturing PMI came in at 54.2, down from 54.6 in the previous month.
- U.S. gross domestic product increased by 1.9% in the fourth quarter, unrevised from the previous estimate.
- U.S. wholesale inventories fell 0.1% month-over-month to \$599.9 billion in January 2017, following a downwardly revised 0.9% rise in December.
- U.S. MNI Indicators said its Chicago business barometer jumped to 57.4 in February after falling to 50.3 in January.
- U.S. Conference Board said its consumer confidence index climbed to 114.8 in February after falling to a revised 111.6 in January.
- The American Petroleum Institute reported a climb of 2.5 million barrels in U.S. crude supplies for the week ended Feb. 24. The API data also showed a rise of 1.8 million barrels in gasoline supplies and a decline of 3.7 million barrels in distillates.
- France's gross domestic product grew 0.4% sequentially in the fourth quarter, following a 0.2% expansion seen in the third quarter.
- France's consumer price inflation unexpectedly eased to 1.2% in February from 1.3% in January. Month-on-month, consumer prices edged up 0.1%, reversing a 0.2% fall in the prior month.
- France's producer prices grew 3.8 percent in January from prior year. Month-on-month, producer price inflation eased to 0.7 percent from 0.9 percent in December.
- France's household consumption rose 0.6% month-on-month in January after a 1% slump in December, which was revised from 0.8% fall.
- Australia's gross domestic product expanded a seasonally adjusted 1.1% on quarter in the fourth quarter of 2016, following the 0.5% contraction in the third quarter. On a yearly basis, GDP advanced 2.4% - up from 1.8% in the three months prior.
- Japan Nikkei manufacturing sector continued to expand in February, with a manufacturing PMI score of 53.3. That was up from 52.7 in January.
- India's gross domestic product advanced 7% year-on-year in the December quarter, slower than the 7.4% growth posted in the September quarter.
- India's core sector slowed to 3.4% in January compared with 5.7% in the year-ago period.
- India's fiscal deficit for April top January period came at 5.64 lakh crore as against Rs5.32 lakh crore year-on-year (YoY).

Index	28-Feb-17	27-Feb-17	Pts. Ch.	% Change
<b>Dow</b>	20812.24	20837.44	<b>-25.20</b>	<b>-0.12</b>
<b>Nifty</b>	8879.60	8896.70	<b>-17.10</b>	<b>-0.19</b>
<b>Sensex</b>	28743.32	28812.88	<b>-69.56</b>	<b>-0.24</b>
<b>USD/INR</b>	66.69	66.71	<b>-0.02</b>	<b>-0.03</b>
<b>Dollar Index</b>	101.13	101.13	<b>0.00</b>	<b>0.00</b>
<b>Euro/\$1US</b>	1.0577	1.0588	<b>-0.0011</b>	<b>-0.10</b>
<b>\$1US/Yen</b>	112.78	112.70	<b>0.08</b>	<b>0.07</b>
<b>Pound/\$1US</b>	1.2381	1.2444	<b>-0.0063</b>	<b>-0.51</b>

## Market Update

- The Dow halted its record-setting streak as investors remained cautious ahead of a speech by President Donald Trump that could determine whether the market's recent surge will be justified by government policy. The S&P 500 dropped 6.11 points, or 0.3%, to finish at 2,363.64. The Nasdaq Composite Index fell 36.46 points, or 0.6%, to end at 5,825.44.
- Indian market closed with small losses after what was a volatile trading session despite mostly positive global stocks. The key benchmarks declined for second consecutive session in a row.

## Currency Update

- The U.S. dollar remained marginally weaker against major rivals, with investors mostly sitting on the sidelines ahead of U.S. President Donald Trump's address to a joint session of Congress Tuesday evening. The greenback fell to ₹112.21, compared with ₹112.70. The euro was trading at \$1.0593, compared with \$1.0587. The WSJ Dollar Index was flat at 90.97. The ICE U.S. Dollar index was flat at 101.13.
- The rupee advanced further by a modest 2 paise to end at 66.69 against the US currency. The local unit resumed substantially lower at 66.80 from overnight closing value of 66.71 at the Interbank Foreign Exchange market. It maintained a tight point range throughout trade in the absence of any major catalyst, but the level was quickly reversed in the mid-afternoon trade to touch a fresh intra-day high of 66.68 before settling at 66.69, showing a nominal 2 paise gain, or 0.03%. The RBI fixed the reference rate for the dollar at 66.7375.

Name of the ETF	Holdings In Tonnes As		%Ch
	28-Feb-17	27-Feb-17	
<b>SPDR Gold ETF</b>	841.17	841.17	<b>0.00</b>
<b>iShares Silver Trust</b>	10428.42	10428.42	<b>0.00</b>

Symbol	28-Feb-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1254	18.469	<b>67.89</b>
<b>Gold v/s Crude Oil</b>	1254	54.01	<b>23.22</b>

Bullion	Closing		% Ch
	28-Feb-17	27-Feb-17	
<b>Gold Apr MCX</b>	29566	29710	<b>-0.48</b>
<b>Gold Apr Comex</b>	1254	1259	<b>-0.39</b>
<b>Silver May MCX</b>	43955	44007	<b>-0.12</b>
<b>Silver May Comex</b>	18.469	18.417	<b>0.28</b>
<b>Energy</b>			
<b>Crude Oil Mar MCX</b>	3566	3623	<b>-1.57</b>
<b>Crude Apr Nymex</b>	54.01	54.05	<b>-0.07</b>
<b>Natural Gas Mar MCX</b>	185.00	179.70	<b>2.95</b>
<b>Nat. Gas Apr Henry Hub</b>	2.774	2.693	<b>3.01</b>

## LME Inventories (In Tonnes)

Base Metals	28-Feb-17	27-Feb-17	Change	% Change
<b>Aluminum</b>	2200900	2209550	<b>-8650</b>	<b>-0.39</b>
<b>Copper</b>	203100	206875	<b>-3775</b>	<b>-1.82</b>
<b>Nickel</b>	377466	378612	<b>-1146</b>	<b>-0.30</b>
<b>Lead</b>	189750	190325	<b>-575</b>	<b>-0.30</b>
<b>Zinc</b>	384150	385900	<b>-1750</b>	<b>-0.45</b>

Base Metals	Closing		% Ch
	28 - Feb-17	27-Feb-17	
<b>Aluminium Mar</b>	127.90	126.90	<b>0.79</b>
<b>Copper Apr</b>	400.75	398.40	<b>0.59</b>
<b>Nickel Mar</b>	733.30	739.20	<b>-0.80</b>
<b>Lead Mar</b>	150.50	151.10	<b>-0.40</b>
<b>Zinc Mar</b>	187.95	187.65	<b>0.16</b>

## ECONOMIC CALENDER

Wednesday Mar 01, 2017

Time	Country	Event	Actual	Forecast	Previous
3:05 AM	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>2.502M</b>	3.000M	-0.884M
6:00 AM	Australia	<b>GDP (YoY) (Q4)</b>	<b>2.4%</b>	1.9%	1.8%
6:00 AM	Australia	<b>GDP (QoQ) (Q4)</b>	<b>1.1%</b>	0.7%	-0.5%
6:00 AM	Japan	<b>Manufacturing PMI (Feb)</b>	<b>53.3</b>	53.6	53.5
6:30 AM	China	<b>Manufacturing PMI (Feb)</b>	<b>51.6</b>	51.1	51.3
6:30 AM	China	<b>Non-Manufacturing PMI (Feb)</b>	<b>54.2</b>		54.6
7:15 AM	China	<b>Caixin Manufacturing PMI (Feb)</b>	<b>51.7</b>	50.8	51.0
10:30 AM	India	<b>Nikkei Markit Manufacturing PMI (Feb)</b>		50.3	50.4
12:30 PM	U.K.	<b>Nationwide HPI (MoM) (Feb)</b>		0.2%	0.2%
12:30 PM	U.K.	<b>Nationwide HPI (YoY) (Feb)</b>		4.0%	4.3%
2:20 PM	France	<b>French Manufacturing PMI (Feb)</b>		52.3	52.3
2:25 PM	Germany	<b>German Manufacturing PMI (Feb)</b>		57.0	57.0
2:25 PM	Germany	<b>German Unemployment Change (Feb)</b>		-10K	-26K
2:25 PM	Germany	<b>German Unemployment Rate (Feb)</b>		5.9%	5.9%
2:30 PM	Eurozone	<b>Manufacturing PMI (Feb)</b>		55.5	55.5
3:00 PM	U.K.	<b>Manufacturing PMI (Feb)</b>		55.6	55.9
6:30 PM	Germany	<b>German CPI (MoM) (Feb)</b>		0.6%	-0.6%
6:30 PM	Germany	<b>German CPI (YoY) (Feb)</b>		2.1%	1.9%
8:15 PM	U.S.	<b>Manufacturing PMI (Feb)</b>		54.4	54.3
8:30 PM	U.S.	<b>ISM Manufacturing PMI (Feb)</b>		56.0	56.0
9:00 PM	U.S.	<b>Crude Oil Inventories</b>		3.079M	0.564M
9:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		-0.611M	-4.924M
9:00 PM	U.S.	<b>Gasoline Inventories</b>		-1.789M	-2.628M

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