



COMMODITY REPORT

02 March 2017

ECONOMIC/GLOBAL NEWS

- Oil prices finished with a modest loss, as U.S. government data revealed an eighth weekly climb in a row for crude stockpiles that was actually smaller than the market expected. April West Texas Intermediate crude fell 18 cents, or 0.3%, to settle at \$53.83 a barrel on the New York Mercantile Exchange. The U.S. Energy Information Administration reported an increase of 1.5 million barrels in domestic crude-oil supplies for the week ended Feb. 24. Gasoline supplies declined by 500,000 barrels, while distillate stockpiles fell 900,000 barrels last week, according to the EIA. MCX Crude Oil March expiry closed at Rs. 53.83 per barrel, up 1.07%.
- U.S. Markit manufacturing PMI fell to a seasonally adjusted 54.2 in February from a reading of 54.3 in January.
- U.S. ISM said its purchasing managers index climbed to 57.7 in February from 56.0 in January.
- U.S. auto sales in February dipped to an annualized pace of 17.6 million vehicles, compared with a robust 17.7 million a year earlier.
- U.K. Markit manufacturing PMI fell to a seasonally adjusted 54.6 in February from a reading of 55.9 in January.
- U.K. house prices advanced 4.5% year-on-year in February, faster than the prior month's 4.3% increase. Month-on-month, house prices grew 0.6%, rise by 0.2% as seen in January.
- Eurozone manufacturing PMI rose to 55.4 in February from 55.2 in January.
- Germany's flash consumer price index inflation rose to 2.2% in February from 1.9% in January. Compared to the previous month, the CPI rose 0.6% in February.
- Germany's jobless claims declined by 14,000 in February, from January. The jobless rate held steady at a record low 5.9% in February.
- Germany's factory PMI rose to a 69-month high of 56.8 in February from 56.4 in January.
- France's manufacturing PMI dropped to 52.2 in February from 53.6 in January.
- Australia posted a seasonally adjusted merchandise trade surplus of A\$1.302 billion in January, down 61% from A\$3.334 billion in December. Exports were down A\$945 million or 3.0% on month to A\$31.796. Imports advanced A\$1.088 billion or 4.0% to A\$30.494 billion.
- India's Nikkei manufacturing PMI, rose to 50.7 in February from 50.4 in January.
- India's February gold imports surged to 50 tonnes, up more than 82% from a year ago.

Index	01-Mar-17	28-Feb-17	Pts. Ch.	% Change
Dow	21115.55	20812.24	303.31	1.46
Nifty	8945.80	8879.60	66.20	0.75
Sensex	28984.49	28743.32	241.17	0.84
USD/INR	66.83	66.69	0.14	0.20
Dollar Index	101.78	101.13	0.65	0.64
Euro/\$1US	1.0548	1.0577	-0.0029	-0.27
\$1US/Yen	113.73	112.78	0.95	0.84
Pound/\$1US	1.2295	1.2381	-0.0086	-0.69

Market Update

- U.S. stock-market indexes closed at a new round of records as investors welcomed President Donald Trump's conciliatory tone during his address to a joint session of Congress, despite a lack of details on his economic plans. The S&P 500 index rallied 32.32 points, or 1.4%, to close at a record 2,395.96. Meanwhile, the Nasdaq Composite Index surged 78.59 points, or 1.4% to close at a record 5,904.03.
- Indian market posted decent gains, snapping two-day losses, on positive global cues and good domestic economic data. The Sensex settled slightly below the psychological 29,000 mark after regaining that mark in intraday trade.

Currency Update

- The U.S. dollar advanced against its major rivals after comments from a key Federal Reserve official added to the growing consensus that markets could expect an interest-rate increase at the central bank's March meeting. The WSJ Dollar Index was up 0.4% at 91.55. The ICE U.S. Dollar Index gained 0.5% to 101.67. Against the yen the dollar exchanged hands at ¥113.72 from ¥112.77, a move of 0.9%. The euro was at \$1.0550 from \$1.0577. The British pound traded at \$1.2293 from \$1.2381, a move of 0.7%.
- The rupee witnessed a reversal after three days of gains and ended lower by 14 paise to 66.83 against the American currency following fresh bouts of dollar demand from importers. The domestic unit resumed lower at 66.73 from Tuesday's closing value of 66.69 at the Interbank Foreign Exchange (forex) market against the backdrop of overnight developments amid renewed dollar demand. It remained under immense pressure throughout the day and touched an intra-day low of 66.89 before ending at 66.83, showing a fall of 14 paise, or 0.20%. The RBI fixed the reference rate for the dollar at 66.8482.

Name of the ETF	Holdings In Tonnes As		%Ch
	01-Mar-17	28-Feb-17	
SPDR Gold ETF	843.54	841.17	0.28
iShares Silver Trust	10428.42	10428.42	0.00

Symbol	01-Mar-17		Ratio
	Close	Close	
Gold v/s Silver	1250	18.489	67.61
Gold v/s Crude Oil	1250	53.83	23.22

Bullion	Closing		% Ch
	01-Mar-17	28-Feb-17	
Gold Apr MCX	29428	29566	-0.47
Gold Apr Comex	1250	1254	-0.31
Silver May MCX	44049	43955	0.21
Silver May Comex	18.489	18.469	0.11
Energy			
Crude Oil Mar MCX	3604	3566	1.07
Crude Apr Nymex	53.83	54.01	-0.33
Natural Gas Mar MCX	186.10	185.00	0.59
Nat. Gas Apr Henry Hub	2.799	2.774	0.90

LME Inventories (In Tonnes)

Base Metals	01-Mar-17	28-Feb-17	Change	% Change
Aluminum	2188400	2200900	-12500	-0.57
Copper	200725	203100	-2375	-1.17
Nickel	377778	377466	312	0.08
Lead	189600	189750	-150	-0.08
Zinc	384100	384150	-50	-0.01

Base Metals	Closing		% Ch
	01 - Mar-17	28-Feb-17	
Aluminium Mar	129.85	127.90	1.52
Copper Apr	403.95	400.75	0.80
Nickel Mar	737.10	733.30	0.52
Lead Mar	154.10	150.50	2.39
Zinc Mar	190.90	187.95	1.57

ECONOMIC CALENDER

Thursday Mar 02, 2017					
Time	Country	Event	Actual	Forecast	Previous
1:30 AM	U.S.	Total Vehicle Sales	17.58M	17.70M	17.61M
6:00 AM	Australia	Exports (MoM) (Jan)	-3%		5%
6:00 AM	Australia	Imports (MoM) (Jan)	4%		1%
6:00 AM	Australia	Trade Balance (Jan)	1.302B	3.800B	3.511B
12:30 PM	Germany	German Import Price Index (MoM) (Jan)		0.4%	1.9%
12:30 PM	Germany	German Import Price Index (YoY) (Jan)		5.5%	3.5%
3:00 PM	U.K.	Construction PMI (Feb)		52.2	52.2
3:30 PM	Eurozone	Core CPI (YoY) (Feb)		0.9%	0.9%
3:30 PM	Eurozone	CPI (YoY) (Feb)		2.0%	1.8%
3:30 PM	Eurozone	PPI (YoY) (Jan)		3.2%	1.6%
3:30 PM	Eurozone	PPI (MoM) (Jan)		0.6%	0.7%
3:30 PM	Eurozone	Unemployment Rate (Jan)		9.6%	9.6%
7:00 PM	U.S.	Continuing Jobless Claims		2,065K	2,060K
7:00 PM	U.S.	Initial Jobless Claims		243K	244K
9:00 PM	U.S.	Natural Gas Storage		-4B	-89B

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