



COMMODITY REPORT

03 April 2017

ECONOMIC/GLOBAL NEWS

- Gold futures gave back some ground in March, but still notched a quarterly gain as the dollar lost steam. June gold added \$3.20, or 0.3%, to settle at \$1,251.20 an ounce, and prices gained about 8.1% for the quarter, based on the most-active contract settlement of \$1,157.10 on Dec. 30. MCX Gold June expiry closed at Rs. 28742 per 10 gram, up 0.28%.
- China Caixin manufacturing PMI fell to 51.2 in March from 51.7 in February.
- U.S. consumer sentiment index for March was downwardly revised to 96.9 from the preliminary reading of 97.6.
- U.S. MNI Indicators said its Chicago business barometer inched up to 57.7 in March from 57.4 in February.
- U.K. gross domestic product climbed 0.7% sequentially in the fourth quarter. The third quarter growth was revised down by 0.1 percentage point to 0.5%. On a yearly basis, GDP climbed 1.9% in the fourth quarter instead of 2%.
- U.K. current account deficit was GBP 12.1 billion in the fourth quarter, a narrowing of GBP 13.6 billion from a revised deficit of GBP 25.7 billion a quarter ago.
- U.K. services output gained 0.6% in three months to January from three months ended October. Services output edged down 0.1% in January from December.
- U.K. house price index dropped 0.3% in March from February, when it grew 0.6%. The year-on-year increase in house prices eased to 3.5% from 4.5%.
- Eurozone inflation came in at 1.5% in March versus 2% in February. Core inflation slowed to 0.7% from 0.9% in February.
- German unemployment declined by 30,000 in March from February. The jobless rate dropped to 5.8% in March, the lowest since German reunification, from 5.9% in February.
- Germany's retail sales dropped unexpectedly by real 2.1% year-on-year in February, reversing January's revised 2.7% increase. Meanwhile, month-on-month, retail sales grew 1.8% after declining 1% in January.
- French consumer price inflation eased to 1.1% in March, remain unchanged at 1.2%. Month-on-month, consumer prices climbed 0.6% in March, following a 0.1% rise in February.
- French producer prices dropped 0.2% in February from January, when prices climbed 1%.
- France's consumer spending dropped 0.8% month-over-month in February, reversing a 0.6% rise in January.
- Australia's retail sales were down a seasonally adjusted 0.1% on month in February - coming in at \$25.69 billion. That following the 0.4% gain in January.
- Japan manufacturing sector continued to expand in March, with a manufacturing PMI score of 52.4. That's down from 53.3 in February.
- India's fiscal deficit in the first 11 months to February was \$93.40 billion, or 113.4% of the budgeted target for the fiscal year ending in March 2017.
- India's core sector growth slowed to a 15-month low in February, growth, as measured by the Index of Eight Core Industries, eased to 1% in February from 3.4% in January and 9.4% a year earlier.
- India's foreign exchange reserves rose \$1.1 billion to reach almost \$368 billion for the week ended March 24.

Index	31-Mar-17	30-Mar-17	Pts. Ch.	% Change
Dow	20663.22	20728.49	-65.27	-0.31
Nifty	9173.75	9173.75	0.00	0.00
Sensex	29620.50	29647.42	-26.92	-0.09
USD/INR	64.86	64.92	-0.06	-0.10
Dollar Index	100.22	100.28	-0.06	-0.06
Euro/\$1US	1.0652	1.0675	-0.0023	-0.22
\$1US/Yen	111.39	111.92	-0.53	-0.47
Pound/\$1US	1.2550	1.2469	0.0081	0.65

Market Update

- U.S. stocks closed lower, but still posted sizable weekly and quarterly gains. The S&P 500 index closed 5.34 points, or 0.2%, lower at 2,362.72. The Nasdaq Composite relinquished earlier gains to end 2.61 points, less than 0.1%, lower at 5,911.74.
- Indian market closed the last trading session of FY 2017 almost flat in a range-bound trade. Profit booking emerged after continuous winning streak for the indices in the preceding three trading sessions.

Currency Update

- The U.S. dollar slipped against its chief rivals-with losses against the Japanese yen and the euro-but a broad measure of the buck posted its first weekly advance since early March. The ICE U.S. Dollar Index fell 0.1% to 100.45. The WSJ Dollar Index fell 0.1% to 90.37. Against the yen, the dollar slipped 0.5% to ¥111.33, compared with ¥111.91. The euro was up 0.2% at \$1.0661, compared with \$1.0677. The pound climbed 0.5% to \$1.2528, compared with \$1.2470.
- After a brief overnight pause, the rupee today strengthened by 6 paise to end at a fresh 17-month high of 64.86 on bouts of dollar selling from banks and exporters. After a steady start at 64.92, the rupee bounced back and moved in a tight range of 64.79 and 64.9850 most part of the day with wide swings. It finally ended the day at 64.86, revealing a smart gain of 6 paise, or 0.10% at the Interbank Foreign Exchange (Forex) market. The RBI fixed the reference rate for the dollar at 64.8386.

Name of the ETF	Holdings In Tonnes As		%Ch
	31-Mar-17	30-Mar-17	
SPDR Gold ETF	832.32	832.32	0.00
iShares Silver Trust	10274.29	10291.97	-0.17

Symbol	31-Mar-17		Ratio
	Close	Close	
Gold v/s Silver	1251	18.256	68.54
Gold v/s Crude Oil	1251	50.60	24.73

Bullion	Closing		% Ch
	31-Mar-17	30-Mar-17	
Gold Jun MCX	28742	28663	0.28
Gold Jun Comex	1251	1248	0.26
Silver May MCX	42326	42147	0.42
Silver May Comex	18.256	18.206	0.27
Energy			
Crude Oil Apr MCX	3284	3269	0.46
Crude May Nymex	50.60	50.35	0.50
Natural Gas Apr MCX	205.80	207.20	-0.68
Nat. Gas May Henry Hub	3.190	3.191	-0.03

LME Inventories (In Tonnes)

Base Metals	31-Mar-17	30-Mar-17	Change	% Change
Aluminum	1886400	1898450	-12050	-0.63
Copper	291175	297550	-6375	-2.14
Nickel	377514	378402	-888	-0.23
Lead	187175	189100	-1925	-1.02
Zinc	371875	372825	-950	-0.25

Base Metals	Closing		% Ch
	31-Mar-17	30-Mar-17	
Aluminium Apr	126.80	127.25	-0.35
Copper Apr	380.75	383.80	-0.79
Nickel Apr	651.00	653.00	-0.31
Lead Apr	151.00	150.55	0.30
Zinc Apr	178.85	184.15	-2.88

ECONOMIC CALENDER

Monday Apr 03, 2017

Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Japan	Manufacturing PMI (Mar)	52.4	52.6	52.6
7:00 AM	Australia	Retail Sales (MoM) (Feb)	-0.1%	0.3%	0.4%
10:30 AM	India	Nikkei Markit Manufacturing PMI (Mar)			50.7
1:20 PM	France	French Manufacturing PMI (Mar)		53.4	53.4
1:25 PM	Germany	German Manufacturing PMI (Mar)		58.3	58.3
1:30 PM	Eurozone	Manufacturing PMI (Mar)		56.2	56.2
2:00 PM	U.K.	Manufacturing PMI (Mar)		55.1	54.6
2:30 PM	Eurozone	PPI (YoY) (Feb)		4.3%	3.5%
2:30 PM	Eurozone	PPI (MoM) (Feb)		0.3%	0.7%
2:30 PM	Eurozone	Unemployment Rate (Feb)		9.5%	9.6%
7:15 PM	U.S.	Manufacturing PMI (Mar)		53.5	53.4
7:30 PM	U.S.	ISM Manufacturing PMI (Mar)		57.0	57.7

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