



COMMODITY REPORT

04 April 2017

ECONOMIC/GLOBAL NEWS

- Natural gas prices fell, as investors anticipated milder weather will limit demand for the heating fuel. Natural gas for May delivery settled down 6.2 cents, or 1.94%, at \$3.128 a million British thermal units on the New York Mercantile Exchange. MCX Natural Gas April expiry closed at Rs. 204.20 per british unit, down 0.78%.
- U.S. Markit manufacturing PMI fell to a six-month low of 53.3 in March, down from 54.2 in February.
- U.S. ISM said its manufacturing PMI dipped to 57.2 in March from 57.7 in February.
- U.S. auto sales fell in March to an annual rate of 16.62 million, down from 17.58 million in February.
- U.K. Markit/CIPS manufacturing PMI dropped to 54.2 in March from 54.5 in February.
- Eurozone producer price inflation climbed 4.5% year-over-year in February, faster than the 3.9% rise in January. On a monthly basis, producer prices remained flat in February, after a 1.1% gain in the prior month, revised up from 0.7%.
- Eurozone jobless rate fell marginally to 9.5% in February, in line with expectations, from 9.6% in January. The number of unemployed in the euro area decreased by 140,000 from prior month to 15.439 million in February.
- Eurozone factory PMI rose to a 71-month high of 56.2 in March, from 55.4 in February.
- Germany final Markit/BME manufacturing PMI grew 58.3 in March from 56.8 in February.
- France's factory PMI rose to 53.3 in March from 52.2 in February.
- Australia's central bank retained its record low interest rate, as a hike to cool property prices could hurt the labor market and household borrowing. The board of the Reserve Bank of Australia, governed by Philip Lowe, kept the cash rate unchanged at 1.50%. The bank had reduced the rate by 25-basis points each in August and May last year.
- Australia posted a seasonally adjusted merchandise trade surplus of A\$3.574 billion in February - surging 138% on month, up from the upwardly revised A\$1.503 billion surplus in January. Exports advanced A\$469 million or 1.0% on month to A\$32.405 billion. Imports slipped A\$1.601 billion or 5.0% on month to A\$28.832 billion.
- India's seasonally adjusted Nikkei manufacturing PMI, climbed to 52.5 in March from 50.7 in the previous month.

Index	03-Apr-17	31-Mar-17	Pts. Ch.	% Change
Dow	20650.21	20663.22	-13.01	-0.06
Nifty	9237.85	9173.75	64.10	0.70
Sensex	29910.22	29620.50	289.72	0.98
USD/INR	65.03	64.85	0.18	0.28
Dollar Index	100.41	100.22	0.19	0.19
Euro/\$1US	1.0671	1.0652	0.0019	0.18
\$1US/Yen	110.89	111.39	-0.50	-0.45
Pound/\$1US	1.2487	1.2550	-0.0063	-0.50

Market Update

- U.S. stocks closed lower, but off session lows, to kick off the second quarter as disappointing vehicle sales and lackluster economic data amplified concerns that lofty equity valuations won't be buttressed by commensurately strong corporate quarterly results in coming weeks. The S&P 500 index fell 5.01 points, or 0.2%, to close at 2,357.71. The Nasdaq Composite Index dropped 17.06 points, or 0.3%, to close at 5,894.68.
- Indian market registered strong gains in the first trading session of the week.

Currency Update

- The dollar weakened modestly against its main rivals Monday, the first trading day of the quarter, as U.S. car manufacturers saw sales decelerate last month to their slowest pace since August. After the data was released, the dollar retreated to ¥110.25, compared with ¥111.39. The ICE U.S. Dollar Index rose 0.2% to 100.56. The WSJ Dollar Index was flat at 90.38. The euro strengthened to \$1.0667, compared with \$1.0657. Elsewhere in Europe, the pound fell to \$1.2477, compared with \$1.2548.
- Retreating from multi-month high, the rupee plunged by 18 paise to close at 65.03 against the US currency on fresh dollar demand from importers and banks. The home currency hit a nearly 18-month high of 64.76 in early trade - the level not seen since October 23, 2015 - before retreating sharply in late afternoon trade. The domestic unit resumed higher at 64.80 from last Friday's closing value of 64.85 at the Interbank Foreign Exchange (Forex) market and strengthened further to 64.76 on steady dollar unwinding from exporters and speculators. However, the home currency suffered a sudden jolt in late afternoon deal to skid below 65-mark to touch an intra-day low of 65.09 due to bouts of dollar demand. It finally settled the day at 65.03, revealing a sharp loss of 18 paise, or 0.28%. The RBI, meanwhile, fixed the reference rate for the dollar at 64.9103.

Name of the ETF	Holdings In Tonnes As		%Ch
	03-Apr-17	31-Mar-17	
SPDR Gold ETF	836.77	832.32	0.53
iShares Silver Trust	10274.29	10274.29	0.00

Symbol	03-Apr-17		Ratio
	Close	Close	
Gold v/s Silver	1254	18.212	68.86
Gold v/s Crude Oil	1254	50.24	24.96

Bullion	Closing		% Ch
	03-Apr-17	31-Mar-17	
Gold Jun MCX	28896	28742	0.54
Gold Jun Comex	1254	1251	0.22
Silver May MCX	42321	42326	-0.01
Silver May Comex	18.212	18.256	-0.24
Energy			
Crude Oil Apr MCX	3277	3284	-0.21
Crude May Nymex	50.24	50.60	-0.71
Natural Gas Apr MCX	204.20	205.80	-0.78
Nat. Gas May Henry Hub	3.128	3.190	-1.94

LME Inventories (In Tonnes)

Base Metals	03-Apr-17	31-Mar-17	Change	% Change
Aluminum	1877300	1886400	-9100	-0.48
Copper	283900	291175	-7275	-2.50
Nickel	376476	377514	-1038	-0.27
Lead	184275	187175	-2900	-1.55
Zinc	370950	371875	-925	-0.25

Base Metals	Closing		% Ch
	03-Apr-17	31-Mar-17	
Aluminium Apr	126.30	126.80	-0.39
Copper Apr	374.65	380.75	-1.60
Nickel Apr	639.40	651.00	-1.78
Lead Apr	147.65	151.00	-2.22
Zinc Apr	175.40	178.85	-1.93

ECONOMIC CALENDER

Tuesday Apr 04, 2017

Time	Country	Event	Actual	Forecast	Previous
1:30 AM	U.S.	Total Vehicle Sales	16.62M	17.40M	17.58M
7:00 AM	Australia	Exports (MoM) (Feb)	1%		-3%
7:00 AM	Australia	Imports (MoM) (Feb)	-5%		4%
7:00 AM	Australia	Trade Balance (Feb)	3.574B	1.800B	1.503B
10:00 AM	Australia	RBA Interest Rate Decision (Apr)	1.50%	1.50%	1.50%
10:00 AM	Australia	RBA Rate Statement			
2:00 PM	U.K.	Construction PMI (Mar)		52.4	52.5
2:30 PM	Eurozone	Retail Sales (MoM) (Feb)		0.5%	-0.1%
2:30 PM	Eurozone	Retail Sales (YoY) (Feb)		1.4%	1.2%
6:00 PM	U.S.	Trade Balance (Feb)		-44.80B	-48.50B
7:00 PM	Eurozone	ECB President Draghi Speaks			
7:30 PM	U.S.	Factory Orders (MoM) (Feb)		1.0%	1.2%

DISCLAIMER

This document has been prepared by ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy and sell any Commodity or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the Commodities to in this document and should consult its own advisors to determine the merits and risks of such an investment.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it.

All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses to access the Service from outside India, he shall be responsible for compliance with foreign and local laws