



COMMODITY REPORT

05 September 2017

ECONOMIC/GLOBAL NEWS

- Gold prices rallied, flirting with a one-year high after North Korea over the weekend tested a nuclear bomb and was said to be making preparations for the possible launch of another long-range ballistic missile. MCX Gold October expiry closed at Rs. 30105 per 10 gram, up 0.95%.
- 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.
- U.K. CIPS/Markit construction PMI fell more-than-expected to 51.1 in August from 51.9 in July.
- Eurozone producer price inflation climbed 2.0% in July on year. The June reading was revised to a 2.4% rise, which was originally reported as 2.5%. On a monthly basis, producer prices were flat, following a revised 0.2% drop 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.
- Australia's central bank decided to leave its key interest rate unchanged at a record low, the board of the Reserve Bank of Australia, governed by Philip Lowe, maintained the cash rate 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 current account deficit of A\$9.562 billion in the second quarter of 2017, following the downwardly revised A\$4.754 billion deficit in the first quarter (originally -A\$3.1 billion).

Index	04-Sep-17	01-Sep-17	Pts. Ch.	% Change
Dow	CLOSED	21987.56	-	-
Nifty	9912.85	9974.40	-61.55	-0.62
Sensex	31702.25	31892.23	-189.98	-0.60
USD/INR	64.05	64.02	0.03	0.05
Dollar Index	92.57	92.77	-0.20	-0.22
Euro/\$1US	1.1893	1.1859	0.0034	0.29
\$1US/Yen	109.81	110.27	-0.46	-0.42
Pound/\$1US	1.2923	1.2951	-0.0028	-0.22

Market Update

- U.S. market closed on **4th September, 2017** on account of "Labor Day".
- Indian market registered modest losses on the first trading session of the week on weak global cues. Domestic stocks fell in tandem with their global counterparts on rising geo-political tensions between North Korea and the US.

Currency Update

- The dollar remained broadly lower against the other major currencies, as Friday's disappointing U.S. employment data continued to weigh and as fresh threats from North Korea dominated investors' attention. The safe-haven yen down 0.62% at 109.58. Euro climbed 0.40% to 1.1907, while pound held steady at 1.2954. The U.S. dollar index was down 0.36% at 92.48.
- Echoing its impressive resilience against heightened global volatility, the rupee reclaimed some lost ground towards the fag end and closed with a marginal 3 paise loss at 64.05 against the American currency. At the Interbank Foreign Exchange (Forex) market, the local currency resumed on a stronger footing at 63.94 against weekend finish of 64.02 on fresh bouts of dollar selling. The home currency drifted sharply to hit an intra-day low of 64.18 on sentiment impact despite broad dollar's weakness before staging a smart rebound to close at 64.05, showing a nominal loss of 3 paise, or 0.05%. The RBI fixed the reference rate for the dollar at 64.0468.

Name of the ETF	Holdings In Tonnes As		%Ch
	01-Sep-17	31-Aug-17	
SPDR Gold ETF	831.21	816.43	1.81
iShares Silver Trust	10304.24	10318.94	-0.14

Symbol	01-Sep-17		Ratio
	Close	Close	
Gold v/s Silver	1330	17.816	74.67
Gold v/s Crude Oil	1330	47.29	28.13

Bullion	Closing		% Ch
	04-Sep-17	01-Sep-17	
Gold Oct MCX	30105	29823	0.95
Gold Dec Comex	CLOSED	1330	-
Silver Dec MCX	41421	40926	1.21
Silver Dec Comex	CLOSED	17.816	-
Energy			
Crude Oil Sep MCX	3049	3021	0.93
Crude Oct Nymex	CLOSED	47.29	-
Natural Gas Sep MCX	193.20	196.90	-1.88
Nat. Gas Oct Henry Hub	CLOSED	3.070	-

LME Inventories (In Tonnes)

Base Metals	04-Sep-17	01-Sep-17	Change	% Change
Aluminum	1324625	1323550	1075	0.08
Copper	220875	223500	-2625	-1.17
Nickel	387246	388824	-1578	-0.41
Lead	148300	148425	-125	-0.08
Zinc	243725	244025	-300	-0.12

Base Metals	Closing		% Ch
	04-Sep-17	01-Sep-17	
Aluminium Sept	135.00	136.05	-0.77
Copper Nov	448.25	441.95	1.43
Nickel Sept	785.10	773.80	1.46
Lead Sept	152.40	152.65	-0.16
Zinc Sept	205.35	204.80	0.27

ECONOMIC CALENDER

Tuesday September 05 2017

Time	Country	Event	Actual	Forecast	Previous
7:00 AM	Australia	Current Account (Q2)	9.6B	-8.1B	-3.1B
7:15 AM	China	Caixin Services PMI (Aug)	52.7	51.8	51.5
10:00 AM	Australia	RBA Interest Rate Decision (Sep)	1.50%	1.50%	1.50%
10:00 AM	Australia	RBA Rate Statement			
10:30 AM	India	Nikkei Services PMI (Aug)			45.9
1:20 PM	France	French Markit Composite PMI (Aug)		55.6	55.6
1:20 PM	France	French Services PMI (Aug)		55.5	55.5
1:25 PM	Germany	German Composite PMI (Aug)		55.7	55.7
1:25 PM	Germany	German Services PMI (Aug)		53.4	53.4
1:30 PM	Eurozone	Markit Composite PMI (Aug)		55.8	55.8
1:30 PM	Eurozone	Services PMI (Aug)		54.9	54.9
2:00 PM	U.K.	Services PMI (Aug)		53.5	53.8
2:30 PM	Eurozone	Retail Sales (MoM) (Jul)		-0.2%	0.5%
2:30 PM	Eurozone	Retail Sales (YoY) (Jul)		2.5%	3.1%
7:30 PM	U.S.	Factory Orders (MoM) (Jul)		-3.2%	3.0%

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