



# COMMODITY REPORT

06 September 2017

## ECONOMIC/GLOBAL NEWS

- Oil prices saw on their highest finish in three weeks while gasoline prices dropped by nearly 3% as Gulf Coast refineries powered back up after the disruptions caused by Hurricane Harvey last week. October West Texas Intermediate crude oil advanced \$1.37, or 2.9%, to settle at \$48.66 a barrel. MCX Crude Oil September expiry closed at Rs. 3122 per barrel, up 2.39%.
- U.S. factory orders plunged by 3.3% in July after surging up by an upwardly revised 3.2% in June.
- Eurozone retail sales decreased 0.3% month-on-month in July, partially offsetting June's 0.6% increase. Year-on-year, retail sales growth eased to 2.6% in July, from 3.3% in June.
- Eurozone composite output index came in at 55.7 in August, matching July's reading but down slightly from the flash estimate of 55.8. The services PMI slid to 54.7 from 55.4 in July. The flash score was 54.9.
- Germany's composite PMI rose more-than-estimated to 55.8 in August from 54.7 in July. The initial score was 55.7. At the same time, the services PMI climbed to 53.5 from July's 10-month low of 53.1.
- French composite PMI fell to 55.2 in August. According to flash survey, the score held steady at 55.6. The final services PMI came in at 54.9 versus 56 in the prior month. The flash reading was 55.5.
- Australia's gross domestic product expanded a seasonally adjusted 0.8% on quarter in the second quarter of 2017, up from 0.3% in the first quarter. On a yearly basis, GDP climbed 1.8% - up from 1.7% in the three months prior.
- India's seasonally adjusted Nikkei India composite output index rose to 49.0 in August from 46.0 in July. The headline Nikkei Services PMI climbed to 47.5 in August from 45.9 in the prior month.

Index	05-Sep-17	04-Sep-17	Pts. Ch.	% Change
<b>Dow</b>	21753.31	CLOSED	-	-
<b>Nifty</b>	9952.20	9912.85	<b>39.35</b>	<b>0.40</b>
<b>Sensex</b>	31809.55	31702.25	<b>107.30</b>	<b>0.34</b>
<b>USD/INR</b>	64.12	64.05	<b>0.07</b>	<b>0.11</b>
<b>Dollar Index</b>	92.28	92.77	<b>-0.49</b>	<b>-0.53</b>
<b>Euro/\$1US</b>	1.1924	1.1896	<b>0.0028</b>	<b>0.24</b>
<b>\$1US/Yen</b>	108.61	109.74	<b>-1.13</b>	<b>-1.03</b>
<b>Pound/\$1US</b>	1.3041	1.2932	<b>0.0109</b>	<b>0.84</b>

## Market Update

- U.S. stocks closed firmly lower, with the S&P 500 snapping a six-day winning streak, as investors focused on heightened tensions between the West and North Korea and worries about a lack of progress on President Donald Trump's pro-growth agenda. The S&P 500 shed 18.70 points, or 0.8%, to close at 2,457.85. The Nasdaq Composite Index declined 59.76 points, or 0.9%, to close at 6,375.57.
- Indian market registered modest gains on bargain hunting after snapping a three-day winning streak in the previous trading session amid geopolitical tensions between North Korea and the US. Gains in global stocks boosted sentiment on the domestic bourses.

## Currency Update

- The U.S. dollar slid lower against most major rivals amid rising tensions with North Korea and skepticism from Federal Reserve speakers greeted U.S. investors returning to trade after the Labor Day holiday. The ICE U.S. Dollar Index fell 0.3% to 92.318. The WSJ Dollar Index moved lower by 0.4% to 85.29. The dollar losing ground to ¥108.73, down from ¥109.73. The euro was up at \$1.1917, versus \$1.1897, while the pound rose to \$1.3036, up from \$1.2932, breaking the \$1.30 barrier.
- The rupee extended its bearish trend for the third straight day and ended lower by 7 paise at 64.12 against the US dollar on sustained demand for the greenback from importers and corporates. The rupee opened on a weaker note at 64.10 against the dollar from Monday's close of 64.05 at the forex market on steady demand for the US currency. After hitting a fresh intra-day low of 64.18 in late afternoon trade, the domestic unit finally settled at 64.12, revealing a loss of 7 paise, or 0.11%. The RBI fixed the reference rate for the dollar at 64.1164.

Name of the ETF	Holdings In Tonnes As		%Ch
	05-Sep-17	01-Sep-17	
<b>SPDR Gold ETF</b>	840.08	831.21	<b>1.07</b>
<b>iShares Silver Trust</b>	10299.95	10304.24	<b>-0.04</b>

Symbol	05-Sep-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1345	17.941	<b>74.94</b>
<b>Gold v/s Crude Oil</b>	1345	48.66	<b>27.63</b>

Bullion	Closing		% Ch
	05-Sep-17	04-Sep-17	
<b>Gold Oct MCX</b>	30223	30105	<b>0.39</b>
<b>Gold Dec Comex</b>	1345	CLOSED	-
<b>Silver Dec MCX</b>	41421	41421	<b>0.00</b>
<b>Silver Dec Comex</b>	17.941	CLOSED	-
<b>Energy</b>			
<b>Crude Oil Sep MCX</b>	3122	3049	<b>2.39</b>
<b>Crude Oct Nymex</b>	48.66	CLOSED	-
<b>Natural Gas Sep MCX</b>	191.40	193.20	<b>-0.93</b>
<b>Nat. Gas Oct Henry Hub</b>	2.972	CLOSED	-

## LME Inventories (In Tonnes)

Base Metals	05-Sep-17	04-Sep-17	Change	% Change
<b>Aluminum</b>	1324475	1324625	<b>-150</b>	<b>-0.01</b>
<b>Copper</b>	217550	220875	<b>-3325</b>	<b>-1.51</b>
<b>Nickel</b>	385392	387246	<b>-1854</b>	<b>-0.48</b>
<b>Lead</b>	154775	148300	<b>6475</b>	<b>4.37</b>
<b>Zinc</b>	243250	243725	<b>-475</b>	<b>-0.19</b>

Base Metals	Closing		% Ch
	05-Sep-17	04-Sep-17	
<b>Aluminium Sept</b>	133.35	135.00	<b>-1.22</b>
<b>Copper Nov</b>	445.00	448.25	<b>-0.73</b>
<b>Nickel Sept</b>	768.20	785.10	<b>-2.15</b>
<b>Lead Sept</b>	148.70	152.40	<b>-2.43</b>
<b>Zinc Sept</b>	199.05	205.35	<b>-3.07</b>

## ECONOMIC CALENDER

Wednesday September 06 2017

Time	Country	Event	Actual	Forecast	Previous
7:00 AM	Australia	<b>GDP (QoQ) (Q2)</b>	<b>0.8%</b>	0.9%	0.3%
7:00 AM	Australia	<b>GDP (YoY) (Q2)</b>	<b>1.8%</b>	1.9%	1.7%
11:30 AM	Germany	<b>German Factory Orders (MoM) (Jul)</b>		0.3%	1.0%
1:40 PM	Eurozone	<b>Retail PMI</b>			51.0
6:00 PM	U.S.	<b>Trade Balance (Jul)</b>		-44.60B	-43.60B
7:15 PM	U.S.	<b>Markit Composite PMI (Aug)</b>			56.0
7:15 PM	U.S.	<b>Services PMI (Aug)</b>		56.8	56.9
7:30 PM	U.S.	<b>ISM Non-Manufacturing PMI (Aug)</b>		55.4	53.9
11:30 PM	U.S.	<b>Beige Book</b>			

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