



COMMODITY REPORT

07 November 2017

ECONOMIC/GLOBAL NEWS

- U.S. oil futures surged, marking their best single-session rally - on a dollar basis - in nearly a year, as the crude market was rattled by political disruptions over the weekend in Saudi Arabia that saw officials and members of the royal family detained. December West Texas Intermediate crude on the New York Mercantile Exchange closed up \$1.71, or 3.07%, to \$57.35 a barrel, marking its highest settlement since June 30, 2015, and its sharpest daily gain, in dollar terms, since Nov. 30, 2016. MCX Crude Oil November expiry closed at Rs. 3691 per barrel, up 3.13%.
- U.K. like-for-like sales tumbled in October - sliding 1.0% on year, down sharply from the 1.9% increase in September. Overall sales were up just 0.2%, marking a nine-year low for the October month.
- Eurozone producer price inflation climbed 2.9% year-over-year in September, following a 2.5% increase in August. Month-on-month, producer prices went up 0.6% from August, when it increased by 0.3%.
- Eurozone composite output index fell to 56.0 in October from 56.7 in September. Similarly, the services PMI slid less-than-estimated to 55.0 in October from 55.8 in September.
- Eurozone Sentix investor sentiment index climbed more-than-expected to 34.0 in November from 29.7 in October.
- Germany's factory orders grew 1% month-on-month in September, but slower than August's 4.1% increase.
- Germany's composite PMI declined to 56.6 in October from September's 77-month high of 57.7 a month ago. The services PMI dropped more-than-estimated to 54.7 from 55.6 in the previous month.
- France final composite PMI came in at 57.4, up from 57.1 in September but slightly below the flash 57.5. Likewise, the services PMI rose to 57.3 from 57.0 a month ago, and below the flash 57.4.
- 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.

Index	06-Nov-17	03-Nov-17	Pts. Ch.	% Change
Dow	23548.42	23539.19	9.23	0.04
Nifty	10451.80	10452.50	-0.70	-0.01
Sensex	33731.19	33685.56	45.63	0.14
USD/INR	64.68	64.55	0.13	0.20
Dollar Index	94.62	94.86	-0.24	-0.25
Euro/\$1US	1.1612	1.1609	0.0003	0.03
\$1US/Yen	113.77	114.08	-0.31	-0.27
Pound/\$1US	1.3174	1.3076	0.0098	0.75

Market Update

- Stocks rose moderately, helping the three main stock benchmarks to close at all-time highs, marking the 26th time this year simultaneous records have been set, as well as the most ever records in a year. The S&P 500 index rose 3.29 points, or 0.1%, to 2,591.13 and the Nasdaq Composite Index advanced 22 points, or 0.3%, at 6,786.44.
- Indian market settled with small gains to almost unchanged after volatile session of trade. Indices had scaled fresh record intraday highs. Investors were cautious as President Donald Trump's tour of Asia got underway. Political unrest in Saudi Arabia also unnerved investors.

Currency Update

- The dollar gave up its gains against rivals as a rally crude-oil prices delivered a boost to currencies of countries pegged to commodities. The ICE U.S. Dollar Index slipped 0.2% to 94.731. The broader WSJ U.S. Dollar Index fell 0.3% to 87.69. The British pound was the star performer of the G-10 currency world on Monday, reclaiming some losses after last week's selloff on the back of the Bank of England's dovish rate increase. Sterling last traded at \$1.3173, up from \$1.3075. Against Japan's currency, the dollar traded at ¥113.77, down from ¥114.06. The pair pulled back from an intraday high of ¥114.73, which was a level not seen since March, but which it struggled to hold. The euro fetched \$1.1610, little changed.
- The rupee slipped from the six-week high level to close at 64.68 a dollar, down 13 paise on fresh demand for the American currency from banks and importers. The rupee opened weak at 64.66 against last Friday's close of 64.55 at the Interbank Foreign Exchange (FOREX) market as the home currency lacked a catalyst to extend its weekend rally. The domestic currency hit a low of 64.74 in afternoon deals as banks stepped up dollar purchases for their importer clients. It finally settled at 64.68, revealing a fall of 13 paise, 0.20%. The RBI fixed the reference rate for the dollar at 64.7267.

Name of the ETF	Holdings In Tonnes As		%Ch
	06-Nov-17	03-Nov-17	
SPDR Gold ETF	845.46	845.75	-0.03
iShares Silver Trust	9922.58	9922.58	0.00

Symbol	06-Nov-17		Ratio
	Close	Close	
Gold v/s Silver	1282	17.235	74.36
Gold v/s Crude Oil	1282	57.35	22.35

Bullion	Closing		% Ch
	06-Nov-17	03-Nov-17	
Gold Dec MCX	29344	29088	0.88
Gold Dec Comex	1282	1269	0.98
Silver Dec MCX	39895	39048	2.17
Silver Dec Comex	17.235	16.834	2.38
Energy			
Crude Oil Nov MCX	3691	3579	3.13
Crude Dec Nymex	57.35	55.64	3.07
Natural Gas Nov MCX	202.00	194.20	4.02
Nat. Gas Dec Henry Hub	3.134	2.984	5.03

LME Inventories (In Tonnes)

Base Metals	06-Nov-17	03-Nov-17	Change	% Change
Aluminum	1179075	1181300	-2225	-0.19
Copper	268450	270400	-1950	-0.72
Nickel	383370	384054	-684	-0.18
Lead	147700	148475	-775	-0.52
Zinc	246500	249250	-2750	-1.10

Base Metals	Closing		% Ch
	06-Nov-17	03-Nov-17	
Aluminium Nov	139.65	140.95	-0.92
Copper Nov	450.95	445.80	1.16
Nickel Nov	837.10	820.10	2.07
Lead Nov	162.00	159.90	1.31
Zinc Nov	210.75	208.90	0.89

ECONOMIC CALENDER

Tuesday November 07 2017

Time	Country	Event	Actual	Forecast	Previous
9:00 AM	Australia	RBA Interest Rate Decision (Nov)	1.50%	1.50%	1.50%
9:00 AM	Australia	RBA Rate Statement			
12:30 PM	Germany	German Industrial Production (MoM) (Sep)		-0.8%	2.6%
1:15 PM	France	French Government Budget Balance (Sep)			-93.0B
1:15 PM	France	French Industrial Investments (Q4)			7.0%
Tentative	China	FX Reserves (USD)		3.107T	3.108T
2:00 PM	U.K.	Halifax House Price Index (MoM) (Oct)		0.2%	0.8%
2:00 PM	U.K.	Halifax House Price Index (YoY) (Oct)		4.5%	4.0%
2:30 PM	Eurozone	ECB President Draghi Speaks			
2:40 PM	Eurozone	Retail PMI			52.3
Tentative	Eurozone	EU Finance Ministers Meeting			
3:30 PM	Eurozone	Retail Sales (YoY) (Sep)		2.7%	1.2%
3:30 PM	Eurozone	Retail Sales (MoM) (Sep)		0.6%	-0.5%

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