



# COMMODITY REPORT

10 April 2017

## ECONOMIC/GLOBAL NEWS

- Natural-gas prices tumbled amid a warmer temperature forecast as market participants took profits following a rally that sent natural-gas prices to a two-month high this week. May natural gas fell 7 cents, or 2.1%, to settle at \$3.261 per million British thermal units. MCX Natural Gas April expiry closed at Rs. 210 per British thermal unit, down 2.19%.
- China's foreign exchange reserves increased \$3.96 billion (3.18 billion pounds) during March to total \$3.009 trillion. In January, reserves slipped below \$3 trillion, but a month later, they moved back above that level, increasing \$6.92 billion to reach \$3.005 trillion in the first rise in eight months.
- U.S. non-farm payroll employment climbed by 98,000 jobs in March after surging up by a revised 219,000 jobs in February. Additionally, the private sector created fewer of the new job contracts than expected in March with a total of 89,000. February's number was revised down to 221,000. Despite the weaker than expected job growth, the unemployment rate fell to 4.5% in March from 4.7% in February.
- U.S. wholesale inventories rose by 0.4% in February after edging down by 0.2% in January.
- U.S. consumer credit rose by \$15.2 billion in February after climbing by an upwardly revised \$10.9 billion in January.
- U.K. visible trade deficit increased unexpectedly to GBP 12.46 billion in February from GBP 11.97 billion in the prior month.
- U.K. industrial production dropped 0.7% month-on-month in February, confounding expectations for an increase of 0.2%. Manufacturing output dropped only 0.1% after easing 1% in January. Year-on-year, industrial production growth slowed to 2.8% from 3.3% in January. Meanwhile, growth in manufacturing accelerated to 3.3% from 2.6%.
- U.K. house prices rose 3.8% in three months to March from prior year. This was below February's 5.1% increase. House prices were unchanged on month for the second consecutive time in March.
- Germany's exports climbed 0.8% month-on-month in February, slower than January's 2.4% increase. At the same time, imports slid 1.6%, reversing January's 2.8% increase. As a result, the trade surplus increased to a seasonally adjusted EUR 21 billion from EUR 18.9 billion in January.
- Germany's industrial production grew 2.2% month-on-month in February, the same pace of growth as seen in January.
- French trade gap fell to EUR 6.56 billion in February from EUR 8.05 billion in January. Exports increased to EUR 37.79 billion in February from EUR 37.21 billion. Meanwhile, imports fell to EUR 44.36 billion from EUR 45.27 billion.
- France's current account deficit was 3.6 billion euros (\$3.83 billion) compared with EUR5.8 billion in January.
- France's industrial production dropped 1.6% month-over-month in February, much faster than the 0.2% fall in January.
- Japan's current account surplus totaled JPY 2.81 trillion in February. The surplus advanced by 18.2% from the prior year. The current account logged surplus for the 32nd straight month.

Index	07-Apr-17	06-Apr-17	Pts. Ch.	% Change
<b>Dow</b>	20656.10	20662.95	<b>-6.85</b>	<b>-0.03</b>
<b>Nifty</b>	9198.30	9261.95	<b>-63.65</b>	<b>-0.69</b>
<b>Sensex</b>	29706.61	29927.34	<b>-220.73</b>	<b>-0.74</b>
<b>USD/INR</b>	64.29	64.52	<b>-0.23</b>	<b>-0.36</b>
<b>Dollar Index</b>	101.12	100.57	<b>0.55</b>	<b>0.55</b>
<b>Euro/\$1US</b>	1.0590	1.0644	<b>-0.0054</b>	<b>-0.51</b>
<b>\$1US/Yen</b>	111.07	110.81	<b>0.26</b>	<b>0.23</b>
<b>Pound/\$1US</b>	1.2373	1.2470	<b>-0.0097</b>	<b>-0.78</b>

### Market Update

- U.S. stocks closed fractionally lower, posting weekly losses after staggering through a choppy session as investors digested weaker-than-expected March jobs data and President Donald Trump's late Thursday airstrike against Syria. The S&P 500 declined 1.95 points to close at 2,355.54. The Nasdaq Composite Index finished down 1.14 points at 5,877.81.
- Indian market dropped on last trading session of the week on worries of rising geopolitical tensions after US fired dozens of cruise missiles into Syria.

### Currency Update

- The dollar shot higher in thin afternoon trade as investors' recovered their appetite for risky assets like stocks. The dollar traded as low as ₹110.14 early in the global trading day, its weakest level since Nov. 18. But the U.S. currency soon recovered, trading at ₹111.23. By comparison, the greenback traded at ₹110.80. The shared currency traded as high as \$1.0666, before retreating to \$1.0591, its lowest level in a month. By comparison, it traded at \$1.0646. The ICE U.S. Dollar index was up 0.5% at 101.14. The British pound weakened to \$1.2379, its lowest level in two weeks, compared with \$1.2469.
- Defying intense global volatility and nervousness, the rupee continued its stellar rally against the US dollar, surging 24 paise to end at a fresh 20-month high of 64.29 amid escalating geo-political trouble. The local currency opened lower than the overnight close of 64.52 and weakened to 64.69 on bouts of dollar demand from importers and banks. But it staged a spectacular rebound by settling the day with a handsome gain of 23 paise, or 0.36%. The RBI, meanwhile, fixed the reference rate for the dollar at 64.3928.

Name of the ETF	Holdings In Tonnes As		%Ch
	07-Apr-17	06-Apr-17	
<b>SPDR Gold ETF</b>	836.49	836.77	<b>-0.03</b>
<b>iShares Silver Trust</b>	10208.21	10208.21	<b>0.00</b>

Symbol	07-Apr-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1257	18.151	<b>69.27</b>
<b>Gold v/s Crude Oil</b>	1257	52.24	<b>24.07</b>

Bullion	Closing		% Ch
	07-Apr-17	06-Apr-17	
<b>Gold Jun MCX</b>	28684	28721	<b>-0.13</b>
<b>Gold Jun Comex</b>	1257	1253	<b>0.32</b>
<b>Silver May MCX</b>	41379	42093	<b>-1.70</b>
<b>Silver May Comex</b>	18.151	18.246	<b>-0.52</b>
<b>Energy</b>			
<b>Crude Oil Apr MCX</b>	3359	3351	<b>0.24</b>
<b>Crude May Nymex</b>	52.24	51.70	<b>1.04</b>
<b>Natural Gas Apr MCX</b>	210.00	214.70	<b>-2.19</b>
<b>Nat. Gas May Henry Hub</b>	3.261	3.331	<b>-2.10</b>

## LME Inventories (In Tonnes)

Base Metals	07-Apr-17	06-Apr-17	Change	% Change
<b>Aluminum</b>	1818300	1837050	<b>-18750</b>	<b>-1.02</b>
<b>Copper</b>	265325	270550	<b>-5225</b>	<b>-1.93</b>
<b>Nickel</b>	375702	376566	<b>-864</b>	<b>-0.23</b>
<b>Lead</b>	173025	175800	<b>-2775</b>	<b>-1.58</b>
<b>Zinc</b>	367400	368450	<b>-1050</b>	<b>-0.28</b>

Base Metals	Closing		% Ch
	07-Apr-17	06-Apr-17	
<b>Aluminium Apr</b>	125.75	125.75	<b>0.00</b>
<b>Copper Apr</b>	376.05	380.65	<b>-1.21</b>
<b>Nickel Apr</b>	656.80	654.10	<b>0.41</b>
<b>Lead Apr</b>	145.15	148.55	<b>-2.29</b>
<b>Zinc Apr</b>	171.95	175.65	<b>-2.11</b>

## ECONOMIC CALENDER

Monday Apr 10, 2017

Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	<b>Adjusted Current Account</b>	<b>2.21T</b>	1.79T	1.26T
5:20 AM	Japan	<b>Current Account n.s.a. (Feb)</b>	<b>2.814T</b>	2.616T	0.066T
2:00 PM	Eurozone	<b>Sentix Investor Confidence (Apr)</b>		21.0	20.7
7:30 PM	U.S.	<b>Wholesale Inventories (MoM) (Feb)</b>		0.4%	0.4%

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