



# COMMODITY REPORT

11 January 2018

## ECONOMIC/GLOBAL NEWS

- Gold prices settled higher, recouping some of their recent losses after briefly tapping a nearly four-month intraday high as the dollar weakened against major rivals. February gold advanced \$5.60, or 0.4%, to settle at \$1,319.30 an ounce. MCX Gold February expiry closed at Rs. 29324 per 10 gram, up 0.58%.
- U.S. import prices inched up by 0.1% in December after climbing by an upwardly revised 0.8% in November. Export edged down by 0.1% in December after increasing by 0.5% in November.
- U.S. wholesale inventories climbed by 0.8% in November after falling by a revised 0.4% in October.
- The U.S. Energy Information Administration reported that domestic crude supplies fell by 4.9 million barrels for the week ended Jan. 5. Gasoline stockpiles rose 4.1 million barrels for the week, while distillate stockpiles added 4.3 million barrels, according to the EIA.
- U.K. visible trade deficit rose to GBP 12.23 billion in November from GBP 11.67 billion in October.
- U.K. industrial production climbed 0.4% month-on-month, faster than the 0.2% increase seen in October. At the same time, manufacturing grew 0.4% after rising 0.3% a month ago. On a yearly basis, growth in industrial output slowed to 2.5% from 4.3% in October. Likewise, manufacturing output advanced 3.5% following a 4.7% rise seen a month ago.
- France's industrial production dropped 0.5% month-over-month in November, reversing a 1.7% rise in October.
- Australia's total value of retail sales jumped a seasonally adjusted 1.2% on month in November - coming in at A\$26.377 billion, following the 0.5% gain in October.

Index	10-Jan-18	09-Jan-18	Pts. Ch.	% Change
<b>Dow</b>	25369.13	25385.80	<b>-16.67</b>	<b>-0.07</b>
<b>Nifty</b>	10632.20	10637.00	<b>-4.80</b>	<b>-0.05</b>
<b>Sensex</b>	34433.07	34443.19	<b>-10.12</b>	<b>-0.03</b>
<b>USD/INR</b>	63.59	63.71	<b>-0.12</b>	<b>-0.18</b>
<b>Dollar Index</b>	92.11	92.26	<b>-0.15</b>	<b>-0.16</b>
<b>Euro/\$1US</b>	1.1956	1.1937	<b>0.0019</b>	<b>0.16</b>
<b>\$1US/Yen</b>	111.46	112.66	<b>-1.20</b>	<b>-1.07</b>
<b>Pound/\$1US</b>	1.3512	1.3540	<b>-0.0028</b>	<b>-0.21</b>

## Market Update

- The S&P 500 and Nasdaq logged their first decline in 2018 as traders kept an eye on U.S. bonds following an accelerated rise in the yield on the 10-year Treasury note, prompted by a report that China is considering halting purchases of U.S. debt. The S&P 500 index lost 3.06 points, or 0.1%, to 2,748.23, after scoring its highest number of records in a new year since 1964. The Nasdaq Composite Index slid 10.01 points, or 0.1%, to 7,153.57.
- Indian market settled with minor losses in a dull session of trade. The Sensex had hit a record high in early trade.

## Currency Update

- The U.S. dollar weakened against its major rivals, after an unconfirmed report that China is considering slowing or halting purchases of U.S. Treasuries. The news helped to stoke jitters about holding on to U.S. assets such as government bonds and the greenback, market participants said. The ICE U.S. Dollar Index shed 0.2% at 92.319. Meanwhile, The WSJ Dollar Index was down 0.3% at 85.75, also retracing some of its drop. The dollar declined against the Japanese yen last buying ¥111.34, compared with ¥112.65. The euro trended higher against the dollar, moving above the psychologically important \$1.20 level earlier in the session. However, the pair last traded at \$1.1958, still up from \$1.1937 the previous day. Britain's pound was lower at \$1.3509, compared with \$1.3539.
- Reversing its two-session steep fall, the rupee bounced back to end higher by 12 paise at 63.59 against the US currency on bouts of dollar selling by exporters and corporates. At the Interbank Foreign Exchange (forex) market, the rupee opened higher at 63.68 from Tuesday's close of 63.71 on frantic dollar unwinding by exporters and banks. It strengthened to touch a fresh intra-day high of 63.53. After touching a low of 63.85, the local unit staged a sharp reversal to end at 63.59, showing a gain of 12 paise, or 0.18%.

Name of the ETF	Holdings In Tonnes As		%Ch
	10-Jan-18	09-Jan-18	
<b>SPDR Gold ETF</b>	828.96	831.91	<b>-0.35</b>
<b>iShares Silver Trust</b>	9839.55	9877.69	<b>-0.39</b>

Symbol	10-Jan-18		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1319	17.035	<b>77.45</b>
<b>Gold v/s Crude Oil</b>	1319	63.57	<b>20.75</b>

Bullion	Closing		% Ch
	10-Jan-18	09-Jan-18	
<b>Gold Feb MCX</b>	29324	29156	<b>0.58</b>
<b>Gold Feb Comex</b>	1319	1314	<b>0.43</b>
<b>Silver Mar MCX</b>	38992	38845	<b>0.38</b>
<b>Silver Mar Comex</b>	17.035	17.010	<b>0.15</b>
<b>Energy</b>			
<b>Crude Oil Jan MCX</b>	4036	4003	<b>0.82</b>
<b>Crude Feb Nymex</b>	63.57	62.96	<b>0.97</b>
<b>Natural Gas Jan MCX</b>	185.40	183.20	<b>1.20</b>
<b>Nat. Gas Feb Henry Hub</b>	2.906	2.923	<b>-0.58</b>

## LME Inventories (In Tonnes)

Base Metals	10-Jan-18	09-Jan-18	Change	% Change
<b>Aluminum</b>	1090525	1092850	<b>-2325</b>	<b>-0.21</b>
<b>Copper</b>	203750	203675	<b>75</b>	<b>0.04</b>
<b>Nickel</b>	365868	367056	<b>-1188</b>	<b>-0.32</b>
<b>Lead</b>	143450	144050	<b>-600</b>	<b>-0.42</b>
<b>Zinc</b>	180225	180250	<b>-25</b>	<b>-0.01</b>

Base Metals	Closing		% Ch
	10-Jan-18	09-Jan-18	
<b>Aluminium Jan</b>	138.90	136.90	<b>1.46</b>
<b>Copper Feb</b>	457.10	453.75	<b>0.74</b>
<b>Nickel Jan</b>	819.00	805.70	<b>1.65</b>
<b>Lead Jan</b>	163.00	162.40	<b>0.37</b>
<b>Zinc Jan</b>	214.65	213.30	<b>0.63</b>

## ECONOMIC CALENDER

Thursday January 11 2018					
Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Australia	<b>Retail Sales (MoM) (Nov)</b>	<b>1.2%</b>	0.4%	0.5%
2:30 PM	Germany	<b>German GDP Annual</b>		2.40%	1.90%
3:30 PM	Eurozone	<b>Industrial Production (MoM) (Nov)</b>		0.8%	0.2%
3:30 PM	Eurozone	<b>Industrial Production (YoY) (Nov)</b>		3.0%	3.7%
7:00 PM	U.S.	<b>Continuing Jobless Claims</b>		1,915K	1,914K
7:00 PM	U.S.	<b>Core PPI (MoM) (Dec)</b>		0.2%	0.3%
7:00 PM	U.S.	<b>Core PPI (YoY) (Dec)</b>		2.5%	2.4%
7:00 PM	U.S.	<b>Initial Jobless Claims</b>		245K	250K
7:00 PM	U.S.	<b>PPI (MoM) (Dec)</b>		0.2%	0.4%
7:00 PM	U.S.	<b>PPI (YoY) (Dec)</b>		3.0%	3.1%
9:00 PM	U.S.	<b>Natural Gas Storage</b>		-333B	-206B

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