



COMMODITY REPORT

12 February 2018

ECONOMIC/GLOBAL NEWS

- Oil futures fell for a sixth straight session, with the U.S. benchmark settling below \$60 a barrel for the first time in 2018 to notch its biggest weekly loss in more than a year. March West Texas Intermediate crude dropped \$1.95, or 3.19%, to settle at \$59.20 a barrel on the New York Mercantile Exchange. MCX Crude Oil February expiry closed at Rs. 3807 per barrel, down 3.15%.
- U.S. wholesale inventories rose by 0.4% in December after climbing by a revised 0.6% in November.
- U.K. visible trade deficit rose to GBP 13.57 billion in December from GBP 12.45 billion in November.
- U.K. industrial production decreased 1.3% month-on-month in December, which was the first fall in nine months. Meanwhile, manufacturing output grew 0.3%, faster than the 0.2% rise seen in November. On a yearly basis, industrial production remained flat in December, after expanding 2.6% in November. At the same time, growth in manufacturing output eased to 1.4% from 3.8%.
- France's industrial production grew 0.5% month-on-month in December, in contrast to a 0.3% fall in November.
- Italy's industrial production grew a seasonally adjusted 1.6% month-over-month in December, well above the 0.2% slight rise in November. On a yearly basis, industrial production expanded a working-day-adjusted 4.9% in December, after a 2.3% increase in the preceding month.
- Greece's industrial production rose a working-day-adjusted 0.2% year-over-year in December, much weaker than the 2.0% increase in November. On a monthly basis, industrial production advanced a seasonally adjusted 0.8% from November, when it increased by 0.7%.
- Switzerland's jobless rate came in at seasonally adjusted 3.0% in January, the same rate as seen in December. On an unadjusted basis, the unemployment rate held steady at 3.3% in January. The number of registered unemployed rose 2,507 from the previous month to 149,161 at the end of January.
- Russia's central bank decided to reduce its key rate by a quarter point, the Board of Directors trimmed the key rate to 7.50% from 7.75%. The bank had lowered the rate by 50 basis points in December.
- New Zealand's total value of overall credit card spending jumped a seasonally adjusted 0.6% on month in January - following the 0.2% gain in December. The value of retail credit card spending climbed 1.4% on month following the 0.5% increase in the previous month.

Index	09-Feb-18	08-Feb-18	Pts. Ch.	% Change
Dow	24190.90	23860.46	330.44	1.38
Nifty	10454.95	10576.85	-121.90	-1.15
Sensex	34005.76	34413.16	-407.40	-1.18
USD/INR	64.40	64.26	0.14	0.22
Dollar Index	90.33	90.12	0.21	0.23
Euro/\$1US	1.2235	1.2247	-0.0012	-0.10
\$1US/Yen	108.80	108.75	0.05	0.05
Pound/\$1US	1.3838	1.3914	-0.0076	-0.55

Market Update

- U.S. stock-market indexes did an about-face in late action, booking sharp gains for the session, but recording the worst weekly losses in about two years, during one of the most frenetic stretches of trading on Wall Street. The S&P 500 ended up 38.55 points, or 1.5%, to 2,619.55. The Nasdaq Composite Index closed up 97.33 points, or 1.44%, to 6,874.47.
- Indian market dropped sharply on last trading day of the week weighed by negative global stocks. The Sensex settled a tad above the psychological 34,000 level after moving above and below that level in intraday trade. Market sentiment was adversely impacted due to weakness in European and Asian stocks following an overnight rout in US stocks amid rising interest rates.

Currency Update

- The U.S. dollar's performance in the face of stock market wobbles that sent jitters throughout financial markets this week has the greenback on track for its best weekly performance in more than a year. The ICE U.S. Dollar Index was up 0.1% at 90.38. The broader WSJ U.S. Dollar Index was little changed at 84.21. The euro was unchanged at \$1.2245. The British pound finishing the week at \$1.3826, down from \$1.3914. The Japanese yen bought ¥108.72, little changed from this mornings open.
- The rupee fell 14 paise against the greenback to end at a near two-month low of 64.40 on bouts of dollar demand from importers and banks. Earlier, struggling to build on overnight rebound, the rupee opened sharply lower at 64.42 against previous session close of 64.26. The home unit tumbled to a fresh low of 64.44 in late afternoon deals before concluding the last trading day of the week at 64.40, revealing a steep loss of 14 paise, or 0.22%. The RBI fixed the reference rate for the dollar at 64.3686.

Name of the ETF	Holdings In Tonnes As		%Ch
	09-Feb-18	08-Feb-18	
SPDR Gold ETF	820.71	826.31	-0.68
iShares Silver Trust	9767.91	9766.91	0.01

Symbol	09-Feb-18		Ratio
	Close	Close	
Gold v/s Silver	1316	16.139	81.52
Gold v/s Crude Oil	1316	59.20	22.22

Bullion	Closing		% Ch
	09-Feb-18	08-Feb-18	
Gold Apr MCX	30009	30107	-0.33
Gold Apr Comex	1316	1319	-0.25
Silver Mar MCX	37578	38000	-1.11
Silver Mar Comex	16.139	16.341	-1.24
Energy			
Crude Oil Feb MCX	3807	3931	-3.15
Crude Mar Nymex	59.20	61.15	-3.19
Natural Gas Feb MCX	167.20	175.70	-4.84
Nat. Gas Mar Henry Hub	2.584	2.697	-4.19

LME Inventories (In Tonnes)

Base Metals	09-Feb-18	08-Feb-18	Change	% Change
Aluminum	1097100	1058175	38925	3.68
Copper	336225	316100	20125	6.37
Nickel	342204	343896	-1692	-0.49
Lead	125275	126950	-1675	-1.32
Zinc	159650	162725	-3075	-1.89

Base Metals	Closing		% Ch
	09-Feb-18	08-Feb-18	
Aluminium Feb	137.10	140.20	-2.21
Copper Feb	432.90	440.20	-1.66
Nickel Feb	834.00	849.10	-1.78
Lead Feb	163.60	163.15	0.28
Zinc Feb	218.15	221.70	-1.60

ECONOMIC CALENDER

Monday February 12 2018

Time	Country	Event	Actual	Forecast	Previous
7:30 AM	China	FDI			7.9%
1:15 PM	France	French CPI (MoM) (Jan)			0.3%
2:30 PM	China	New Loans		2,050.0B	584.4B
2:30 PM	China	Outstanding Loan Growth (YoY)		12.5%	12.7%
5:00 PM	India	Cumulative Industrial Production (Dec)			3.20%
5:00 PM	India	Industrial Production (YoY) (Dec)		6.20%	8.40%
5:00 PM	India	Manufacturing Output (MoM) (Dec)			10.20%
Tentative	U.S.	OPEC Monthly Report			
5:30 PM	India	CPI (YoY) (Jan)		5.14%	5.21%

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