



COMMODITY REPORT

12 April 2017

ECONOMIC/GLOBAL NEWS

- Gold prices rallied to settle at their highest levels in about five months as investors grew jittery over the impending French presidential election as well as U.S. relations with Russia and North Korea. June gold gained \$20.30, or 1.62%, to settle at \$1,274.20 an ounce. May Silver jumped 33.9 cents, or 1.9%, at \$18.254 an ounce. MCX Gold June expiry closed at Rs. 29193 per 10 gram, up 1.58% while May Silver closed at Rs. 42187 per kg, up 1.98%.
- China consumer prices were up 0.9% on year in March, up from 0.8% in February. On a monthly basis, consumer prices slipped 0.3% after falling 0.2% in the previous month. Producer prices jumped an annual 7.6% in March, down from 7.8% in the three months prior.
- The American Petroleum Institute reported a decline of 1.3 million barrels in U.S. crude supplies for the week ended April 7. The API data also showed a drop of 3.7 million barrels in gasoline supplies and a fall of 1.6 million barrels in distillates.
- U.K. inflation held steady at 2.3% in March. On a monthly basis, consumer prices rose 0.4%, slightly faster than the expected 0.3%. Core inflation eased to 1.8% from 2%.
- U.K. factory gate inflation grew 3.6% annually, following a 3.7% rise in February. On month, factory gate price inflation doubled to 0.4% from 0.2% in February. Input price inflation slowed to a 3-month low of 17.9% in March from 19.4% in February. On a monthly basis, input prices climbed 0.4%, in contrast to February's 0.1% drop.
- U.K. retail price index increased 3.1% in March, after rising by 3.2% the previous month. Month-on-month, RPI increased by 0.3% in March, compared to a 1.1% advance in the prior month. Core RPI increased at an annualized rate of 3.4% in March, after rising by 3.5% the previous month. Month-on-month, core RPI increased 0.3% last month, compared to February's 1.1% rise.
- U.K. house price index rose 5.8% in March, following a 5.3% increase a month earlier. February's data was revised from an initial 6.2% rise.
- Eurozone industrial production dropped 0.3% month-over-month in February, reversing a 0.3% rise in January, which was revised down from 0.9%. On an annual basis, industrial production growth accelerated to 1.2% in February from 0.2% in January, revised down from a growth of 0.6% reported earlier.
- Eurozone ZEW economic sentiment index gained 0.7 points to 26.3 in April. Likewise, the current economic situation index climbed 4.1 points to 11.5.
- German ZEW Indicator of Economic Sentiment climbed 6.7 points to 19.5 in April. The current conditions index rose 2.8 to 80.1 in April, the highest level since July 2011.
- Japan producer prices were up 0.2% on month in March, unchanged from February following an upward revision from 0.2%. On a yearly basis, prices advanced 1.4%, up from the upwardly revised 1.1% increase in the previous month (originally 1.0%).
- Japan core machine orders advanced a seasonally adjusted 1.5% on month in February - standing at 850.5 billion yen. That following the 3.2% decline in January. On a yearly basis, core machine orders advanced 5.6%, following the 8.2% decline in the previous month.

Index	11-Apr-17	10-Apr-17	Pts. Ch.	% Change
Dow	20651.30	20658.02	-6.72	-0.03
Nifty	9237.00	9181.45	55.55	0.61
Sensex	29788.35	29575.74	212.61	0.72
USD/INR	64.50	64.56	-0.06	-0.09
Dollar Index	100.62	100.95	-0.33	-0.33
Euro/\$1US	1.0602	1.0596	0.0006	0.06
\$1US/Yen	109.62	110.94	-1.32	-1.19
Pound/\$1US	1.2491	1.2414	0.0077	0.62

Market Update

- U.S. stocks pared losses to close with small losses as investors remained cautious over assets perceived as risky, such as equities, on rising geopolitical tensions. The S&P 500 index fell 3.38 points, or 0.1%, to close at 2,353.78. The Nasdaq Composite Index declined 14.15 points, or 0.2%, to end at 5,866.77.
- Indian market settled with decent gains despite a weak trend witnessed in most of the global markets. Key indices snapped three-day losing streak today, 11 April 2017.

Currency Update

- The dollar weakened to its lowest level against the yen in five months as escalating geopolitical tensions lured investors away from risky assets like stocks in favor of safety plays like the Japanese currency, gold and U.S. government debt. The dollar weakened to ¥109.75, compared with ¥110.94. The euro strengthened to \$1.0624, compared with \$1.0595. The ICE U.S. Dollar Index was off 0.3% at 100.70. The WSJ Dollar Index was also off 0.4% at 90.50. The pound traded at \$1.2486, compared with \$1.2415.
- The rupee recovered some of the lost ground after taking a battering overnight, advancing 6 paise to 64.50 against the US dollar. At the Interbank Foreign Exchange market (forex), the home currency resumed substantially lower at 64.65 against Monday's close of 64.56 on fresh bouts of dollar demand from importers and drifted further to 64.69. However, it quickly reversed the downtrend and bounced back to trade at an intra-day high of 64.42 before concluding at 64.50, showing a modest gain of 6 paise, or 0.09%. The RBI fixed the reference rate for the dollar at 64.5438.

Name of the ETF	Holdings In Tonnes As		%Ch
	11-Apr-17	10-Apr-17	
SPDR Gold ETF	842.41	838.26	0.50
iShares Silver Trust	10208.21	10208.21	0.00

Symbol	11-Apr-17		Ratio
	Close	Close	
Gold v/s Silver	1274	18.254	69.80
Gold v/s Crude Oil	1274	53.40	23.86

Bullion	Closing		% Ch
	11-Apr-17	10-Apr-17	
Gold Jun MCX	29193	28739	1.58
Gold Jun Comex	1274	1254	1.62
Silver May MCX	42187	41366	1.98
Silver May Comex	18.254	17.915	1.89
Energy			
Crude Oil Apr MCX	3448	3424	0.70
Crude May Nymex	53.40	53.08	0.60
Natural Gas Apr MCX	203.90	209.40	-2.63
Nat. Gas May Henry Hub	3.150	3.238	-2.72

LME Inventories (In Tonnes)

Base Metals	11-Apr-17	10-Apr-17	Change	% Change
Aluminum	1788525	1802800	-14275	-0.79
Copper	259675	266575	-6900	-2.59
Nickel	370872	374532	-3660	-0.98
Lead	170850	171750	-900	-0.52
Zinc	365900	366600	-700	-0.19

Base Metals	Closing		% Ch
	11-Apr-17	10-Apr-17	
Aluminium Apr	123.75	123.75	0.00
Copper Apr	373.25	372.55	0.19
Nickel Apr	638.10	652.00	-2.13
Lead Apr	145.85	145.20	0.45
Zinc Apr	166.00	168.40	-1.43

ECONOMIC CALENDER

Wednesday Apr 12, 2017

Time	Country	Event	Actual	Forecast	Previous
2:05 AM	U.S.	API Weekly Crude Oil Stock	-1.300M	0.125M	-1.834M
5:20 AM	Japan	Core Machinery Orders (MoM) (Feb)	1.5%	3.7%	-3.2%
5:20 AM	Japan	Core Machinery Orders (YoY) (Feb)	5.6%	2.5%	-8.2%
5:20 AM	Japan	PPI (YoY) (Mar)	1.4%	1.3%	1.0%
5:20 AM	Japan	PPI (MoM) (Mar)	0.2%	0.2%	0.6%
7:00 AM	China	CPI (YoY) (Mar)	0.9%	1.0%	0.8%
7:00 AM	China	CPI (MoM) (Mar)	-0.3%	-0.3%	-0.2%
7:00 AM	China	PPI (YoY) (Mar)	7.6%	7.6%	7.8%
11:30 AM	Germany	German WPI (MoM) (Mar)		0.4%	0.5%
11:30 AM	Germany	German WPI (YoY) (Mar)			5.0%
2:00 PM	U.K.	Claimant Count Change (Mar)		-3.0K	-11.3K
2:00 PM	U.K.	Unemployment Rate (Feb)		4.7%	4.7%
Tentative	China	M2 Money Stock (YoY)		11.1%	11.1%
Tentative	China	New Loans		1,200.0B	1,170.0B
4:30 PM	U.S.	OPEC Monthly Report			
5:00 PM	India	Cumulative Industrial Production (Feb)			0.60%
5:00 PM	India	Industrial Production (YoY) (Feb)		1.3%	2.7%
5:00 PM	India	M3 Money Supply			7.7%
5:00 PM	India	Manufacturing Output (MoM) (Feb)			2.3%
5:30 PM	India	CPI (YoY) (Mar)		3.98%	3.65%
6:00 PM	U.S.	Export Price Index (MoM) (Mar)		0.1%	0.3%
6:00 PM	U.S.	Import Price Index (MoM) (Mar)		-0.2%	0.2%
7:30 PM	U.S.	FOMC Member Kaplan Speaks			
8:00 PM	U.S.	Crude Oil Inventories		0.087M	1.566M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		-0.885M	-0.536M
8:00 PM	U.S.	Gasoline Inventories		-1.721M	-0.618M
11:30 PM	U.S.	Federal Budget Balance (Mar)		-167.0B	-192.0B

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