



COMMODITY REPORT

12 May 2017

ECONOMIC/GLOBAL NEWS

- Natural Gas prices saw the biggest percentage gains among energy futures after the U.S. Energy Information Administration reported that domestic supplies of natural gas rose by 45 billion cubic feet for the week ended May 5. Total stocks now stand at 2.301 trillion cubic feet, down 372 billion cubic feet from a year ago, but 275 billion cubic feet above the five-year average, the government said. June natural gas rose 8.4 cents, or 2.6%, to \$3.376 per million British thermal units. MCX Natural Gas May expiry closed at Rs. 217.80 per British thermal unit, up 2.06%.
- U.S. producer price index for final demand climbed by 0.5% in April after edging down by 0.1% in March. Core producer prices still rose by 0.4% in April after coming in unchanged in March. The annual rate of producer price growth accelerated to 2.5% in April from 2.3% in March. Core producer prices were up by 1.9% year-over-year in April, reflecting acceleration from the 1.6% growth seen in March.
- U.S. initial jobless claims dipped to 236,000 in the week ended May 6th, a decrease of 2,000 from the previous week's unrevised level of 238,000. Continuing claims fell by 61,000 to 1.918 million in the week ended April 29th.
- Bank of England made no changes to monetary policy at the outcome of its meeting and predicted that inflation will be higher than expected three months ago. The Monetary Policy Committee voted 7-1 to keep rates on hold at a record low of 0.25%. The committee also voted unanimously to maintain the asset purchase programme at GBP 435 billion.
- U.K. visible trade deficit increased to GBP 13.44 billion in March from GBP 11.44 billion in February. On a monthly basis, export and import prices increased by 1.5% and 1.4% respectively.
- U.K. industrial production fell 0.5% month-on-month in March, following a 0.8% drop in February. Likewise, manufacturing output slid 0.6% after easing 0.3% in the previous month. On a yearly basis, growth in industrial production slowed more-than-expected to 1.4% in March from 2.5% in February. Manufacturing output growth came in at 2.3% versus 3% in February.
- Germany's wholesale price inflation advanced 4.7% year-on-year in April, the same pace of growth as seen in March. On a monthly basis, wholesale prices climbed 0.3% in April after staying flat in the prior month.

Index	11-May-17	10-May-17	Pts. Ch.	% Change
Dow	20919.42	20943.11	-23.69	-0.11
Nifty	9422.40	9407.30	15.10	0.16
Sensex	30250.98	30248.17	2.81	0.01
USD/INR	64.37	CLOSED	-	-
Dollar Index	99.50	99.56	-0.06	-0.06
Euro/\$1US	1.0861	1.0868	-0.0007	-0.06
\$1US/Yen	113.86	114.28	-0.42	-0.37
Pound/\$1US	1.2886	1.2938	-0.0052	-0.40

Market Update

- U.S. equity benchmarks closed lower, but well off their worst levels of the session, as a clutch of weaker-than-expected earnings reports and lingering concerns that President Donald Trump's pro-business agenda may face delays sapped buying appetite. The tech-heavy index closed down 13.18 points, or 0.2%, at 6,115.96. The S&P 500 index also pulled back from its record close, declining 5.19 points, or 0.2%, to close at 2,394.44.
- Indian market settled almost flat after a range bound trade. Indices gave up gains after hitting record highs in intraday trade.

Currency Update

- Scripting its biggest single-day gain in four weeks, the rupee today rallied by 27 paise to 64.37 a dollar on heavy selling of the US currency. The domestic unit opened substantially higher at 64.49 from Tuesday's closing of 64.63 at the Interbank Foreign Exchange market. Maintaining its strong edge over the greenback, the rupee touched a fresh intra-day high of 64.3350 in late afternoon deals before ending at 64.37, showing a smart gain of 27 paise or 0.41%. It touched a low of 64.5750 briefly during the trade. The RBI fixed the reference rate for the dollar at 64.4380.
- The dollar strengthened against the British pound but weakened against the Japanese yen on Thursday as economic data offered signs that the labor market is holding steady and inflation is picking up in the U.S. The pound fell 0.4% to \$1.2894, while the euro ticked slightly lower to \$1.0863. The greenback slumped against the yen after strengthening and was most recently off 0.4% at ¥113.83, compared with ¥114.33. More broadly, the ICE U.S. Dollar Index was unchanged at 99.63. The WSJ Dollar Index also was little changed at 90.46.

Name of the ETF	Holdings In Tonnes As		%Ch
	11-May-17	10-May-17	
SPDR Gold ETF	851.89	851.89	0.00
iShares Silver Trust	10531.96	10531.96	0.00

Symbol	11-May-17		Ratio
	Close	Close	
Gold v/s Silver	1224	16.265	75.27
Gold v/s Crude Oil	1224	47.83	25.59

Bullion	Closing		% Ch
	11-May-17	10-May-17	
Gold Jun MCX	28004	27996	0.03
Gold Jun Comex	1224	1219	0.43
Silver Jul MCX	37992	37952	0.11
Silver Jul Comex	16.265	16.207	0.36
Energy			
Crude Oil May MCX	3089	3083	0.19
Crude Jun Nymex	47.83	47.33	1.06
Natural Gas May MCX	217.80	213.40	2.06
Nat. Gas Jun Henry Hub	3.376	3.292	2.55

LME Inventories (In Tonnes)

Base Metals	11-May-17	10-May-17	Change	% Change
Aluminum	1564800	1570575	-5775	-0.37
Copper	336725	339200	-2475	-0.73
Nickel	381834	381378	456	0.12
Lead	178325	178975	-650	-0.36
Zinc	347200	346725	475	0.14

Base Metals	Closing		% Ch
	11-May-17	10-May-17	
Aluminium May	120.85	120.60	0.21
Copper Jun	358.85	358.00	0.24
Nickel May	598.40	591.00	1.25
Lead May	139.95	141.70	-1.24
Zinc May	166.35	167.75	-0.83

ECONOMIC CALENDER

Friday May 12, 2017

Time	Country	Event	Actual	Forecast	Previous
11:30 AM	Germany	German CPI (MoM) (Apr)		0.0%	0.0%
11:30 AM	Germany	German CPI (YoY) (Apr)		2.0%	2.0%
11:30 AM	Germany	German GDP (YoY) (Q1)		1.7%	1.2%
11:30 AM	Germany	German GDP (QoQ) (Q1)		0.6%	0.4%
12:15 PM	France	French Non-Farm Payrolls (QoQ) (Q1)		0.2%	0.4%
2:30 PM	Eurozone	Industrial Production (MoM) (Mar)		0.3%	-0.3%
2:30 PM	Eurozone	Industrial Production (YoY) (Mar)		2.3%	1.2%
5:00 PM	India	Bank Loan Growth			5.5%
5:00 PM	India	Deposit Growth			11.6%
5:00 PM	India	FX Reserves, USD			372.73B
5:30 PM	India	Industrial Production (YoY) (Mar)		1.5%	-1.2%
5:30 PM	India	WPI Food (YoY) (Apr)			3.12%
5:30 PM	India	WPI Fuel (YoY) (Apr)			18.16%
5:30 PM	India	WPI Inflation (YoY) (Apr)		4.79%	5.70%
5:30 PM	India	WPI Manufacturing Inflation (YoY) (Apr)			2.99%
5:30 PM	India	CPI (YoY) (Apr)		3.49%	3.81%
5:30 PM	India	Cumulative Industrial Production (Mar)			0.40%
5:30 PM	India	Manufacturing Output (MoM) (Mar)			-2.0%
6:00 PM	U.S.	Core CPI (MoM) (Apr)		0.2%	-0.1%
6:00 PM	U.S.	Core CPI (YoY) (Apr)		2.0%	2.0%
6:00 PM	U.S.	Core Retail Sales (MoM) (Apr)		0.5%	0.0%
6:00 PM	U.S.	CPI (MoM) (Apr)		0.2%	-0.3%
6:00 PM	U.S.	CPI (YoY) (Apr)		2.3%	2.4%
6:00 PM	U.S.	Retail Sales (MoM) (Apr)		0.6%	-0.2%
7:30 PM	U.S.	Business Inventories (MoM) (Mar)		0.1%	0.3%
7:30 PM	U.S.	Michigan Consumer Sentiment (May)		97.0	97.0

DISCLAIMER

This document has been prepared by ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy and sell any Commodity or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the Commodities to in this document and should consult its own advisors to determine the merits and risks of such an investment.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it.

All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses to access the Service from outside India, he shall be responsible for compliance with foreign and local laws