



# COMMODITY REPORT

13 September 2017

## ECONOMIC/GLOBAL NEWS

- Natural gas prices perked up as warmer than normal weather is forecast to cover most of the eastern portion of the United States for the next 8-14 days. Demand has been subdued as electricity has been sparse in Florida following the outages caused by Hurricane Irma. October Natural Gas picked up 5.1 cents, or 1.73%, to \$3.001 per million British thermal units. MCX Natural Gas September expiry closed at Rs. 192.90 per British thermal unit, up 2.01%.
- The American Petroleum Institute reported that U.S. crude supplies climbed by 6.2 million barrels for the week ended Sept. 8, while gasoline stockpiles dropped 7.9 million barrels. The API data also showed that inventories of distillates edged down by 1.8 million barrels, sources said.
- U.K. consumer prices climbed 2.9% year-over-year in August, faster than the 2.6% rise in July. Core inflation rose to 2.7% in August from 2.4% in the prior month. On a monthly basis, consumer prices grew 0.6% in August.
- U.K. output price inflation climbed 3.4% yearly, faster than the 3.2% increase in July. On month, output prices rose 0.4% from July, when it edged up by 0.1%. Input price inflation quickened to 7.6% in August from 6.2% in the preceding month. Month-on-month, input prices went up 1.6% in August, reversing a 0.2% drop in July.
- U.K. retail price index increased 3.9% in August, increasing from 3.6% a month earlier. Month-on-month, retail prices went up 0.7% in August, reversing a 0.2% drop in July.
- U.K. house price index rose 5.1% in August, accelerating from an increase of 4.9% in July.
- French non-farm private sector payrolls increased by 0.4% quarter-on-quarter in the second quarter of 2017, lower than a 0.5% rise in the previous quarter.
- Italy's seasonally adjusted jobless rate dropped to 11.2% in the second quarter from 11.6% in the first quarter.
- Japan's producer prices were flat on month in August, following the 0.3% gain in July. On a yearly basis, producer prices advanced 2.9% - after rising 2.6% in the previous month.
- South Korea's export prices were up 0.5% on month in August - slowing from the 1.1% jump in July. On a yearly basis, export prices surged 10.7% - up from 8.1% in the previous month. Import prices gained 1.5% on month after adding 0.5% in July. They were up 9.0% on year, up from 5.5% a month earlier.
- Singapore's retail sales rose a seasonally adjusted 3.0% month-over-month in July, reversing a 0.4% drop in June. On a yearly basis, retail sales growth eased to 1.8% in July from 2.0% in June.
- India's consumer price inflation rose 3.36% year-on-year for a second straight month in August after a 2.36% increase in July. On a month-on-month basis, the CPI rose 0.97% in August with a 1.30% increase in food prices.
- India's factory output expanded by a modest 1.2% in July, 2017, after contracting 0.17% in June. However, it remained subdued compared with 4.5% clocked in the year-ago period. Manufacturing output rose 0.1% while mining and electricity grew 4.8% and 6.5%, respectively.

Index	12-Sep-17	11-Sep-17	Pts. Ch.	% Change
<b>Dow</b>	22118.86	22057.37	<b>61.49</b>	<b>0.28</b>
<b>Nifty</b>	10093.05	10006.05	<b>87.00</b>	<b>0.87</b>
<b>Sensex</b>	32158.66	31882.16	<b>276.50</b>	<b>0.87</b>
<b>USD/INR</b>	64.04	63.93	<b>0.10</b>	<b>0.16</b>
<b>Dollar Index</b>	91.89	91.85	<b>0.04</b>	<b>0.04</b>
<b>Euro/\$1US</b>	1.1971	1.1953	<b>0.0018</b>	<b>0.15</b>
<b>\$1US/Yen</b>	110.23	109.41	<b>0.82</b>	<b>0.75</b>
<b>Pound/\$1US</b>	1.3289	1.3163	<b>0.0126</b>	<b>0.96</b>

## Market Update

- All three major U.S. stock indexes booked all-time closing highs on Tuesday, though gains were capped by unsteady trade in technology, after a brisk, broad-market run-up in the previous session. The S&P 500 added 8.37 points, or 0.3%, to close at 2,496.48. The Nasdaq Composite Index finished up 22.02 points, or 0.3%, at 6,454.28.
- Indian market posted decent gains as positive global cues boosted investors' sentiment on the domestic bourses. Key equity benchmarks gained for fourth day in a row. The Sensex regained psychologically important 32,000-mark. After opening higher, key indices continued to extend intraday gains as the day's trade progressed.

## Currency Update

- The U.S. dollar put in a mixed performance, strengthening against the Japanese yen, but weakening compared with the British pound following a hotter-than-expected U.K. inflation report. The ICE U.S. Dollar index was flat at 91.905. The WSJ Dollar Index was also little changed at 85.11. The biggest mover Tuesday proved to be sterling which drove up to \$1.3257, and rallied to an intraday high of \$1.3283. The euro regained ground against the buck erasing earlier losses. Euro bought \$1.1971, up from \$1.1953. Against Japan's currency, the buck traded at ¥110.08, higher than ¥109.39.
- The rupee fell by another 10 paise to 64.04 a dollar, the second straight session loss on persistent demand for the American currency from banks and importers. The rupee resumed lower at 63.98 a dollar as against the yesterday's closing of 63.93 at the forex market and dropped further to 64.05 before finishing at 64.04, a loss of 10 paise or 0.16%. The domestic currency hovered in a range of 63.9350 and 64.05 per dollar during the day.

Name of the ETF	Holdings In Tonnes As		%Ch
	12-Sep-17	11-Sep-17	
<b>SPDR Gold ETF</b>	838.64	835.68	<b>0.35</b>
<b>iShares Silver Trust</b>	10173.58	10173.58	<b>0.00</b>

Symbol	12-Sep-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1333	17.890	<b>74.49</b>
<b>Gold v/s Crude Oil</b>	1333	48.23	<b>27.63</b>

Bullion	Closing		% Ch
	12-Sep-17	11-Sep-17	
<b>Gold Oct MCX</b>	29943	29933	<b>0.03</b>
<b>Gold Dec Comex</b>	1333	1336	<b>-0.22</b>
<b>Silver Dec MCX</b>	41216	41164	<b>0.13</b>
<b>Silver Dec Comex</b>	17.890	17.902	<b>-0.07</b>
<b>Energy</b>			
<b>Crude Oil Sep MCX</b>	3092	3073	<b>0.62</b>
<b>Crude Oct Nymex</b>	48.23	48.07	<b>0.33</b>
<b>Natural Gas Sep MCX</b>	192.90	189.10	<b>2.01</b>
<b>Nat. Gas Oct Henry Hub</b>	3.001	2.950	<b>1.73</b>

## LME Inventories (In Tonnes)

Base Metals	12-Sep-17	11-Sep-17	Change	% Change
<b>Aluminum</b>	1318950	1320050	<b>-1100</b>	<b>-0.08</b>
<b>Copper</b>	218725	208425	<b>10300</b>	<b>4.94</b>
<b>Nickel</b>	382890	382878	<b>12</b>	<b>0.003</b>
<b>Lead</b>	163775	164025	<b>-250</b>	<b>-0.15</b>
<b>Zinc</b>	253975	240425	<b>13550</b>	<b>5.64</b>

Base Metals	Closing		% Ch
	12-Sep-17	11-Sep-17	
<b>Aluminium Sept</b>	135.50	134.50	<b>0.74</b>
<b>Copper Nov</b>	430.85	435.15	<b>-0.99</b>
<b>Nickel Sept</b>	760.80	753.30	<b>1.00</b>
<b>Lead Sept</b>	146.35	144.50	<b>1.28</b>
<b>Zinc Sept</b>	196.00	197.30	<b>-0.66</b>

## ECONOMIC CALENDER

Wednesday September 13 2017

Time	Country	Event	Actual	Forecast	Previous
Tentative	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>6.181M</b>	10.100M	2.791M
5:20 AM	Japan	<b>PPI (MoM) (Aug)</b>		0.1%	0.3%
5:20 AM	Japan	<b>PPI (YoY) (Aug)</b>		3.0%	2.6%
11:30 AM	Germany	<b>German CPI (YoY) (Aug)</b>		1.8%	1.8%
11:30 AM	Germany	<b>German CPI (MoM) (Aug)</b>		0.1%	0.1%
11:30 AM	Germany	<b>German WPI (YoY) (Aug)</b>			2.2%
11:30 AM	Germany	<b>German WPI (MoM) (Aug)</b>		0.1%	-0.1%
2:00 PM	U.K.	<b>Claimant Count Change (Aug)</b>		0.6K	-4.2K
2:00 PM	U.K.	<b>Unemployment Rate (Jul)</b>		4.4%	4.4%
Tentative	U.S.	<b>IEA Monthly Report</b>			
2:30 PM	Eurozone	<b>Employment Change (QoQ) (Q2)</b>		0.3%	0.4%
2:30 PM	Eurozone	<b>Employment Change (YoY) (Q2)</b>		1.4%	1.5%
2:30 PM	Eurozone	<b>Industrial Production (YoY) (Jul)</b>		3.4%	2.6%
2:30 PM	Eurozone	<b>Industrial Production (MoM) (Jul)</b>		0.1%	-0.6%
6:00 PM	U.S.	<b>Core PPI (YoY) (Aug)</b>		2.1%	1.8%
6:00 PM	U.S.	<b>Core PPI (MoM) (Aug)</b>		0.2%	-0.1%
6:00 PM	U.S.	<b>PPI (MoM) (Aug)</b>		0.3%	-0.1%
6:00 PM	U.S.	<b>PPI (YoY) (Aug)</b>		2.5%	1.9%
8:00 PM	U.S.	<b>Crude Oil Inventories</b>		3.238M	4.580M
8:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		-1.537M	-1.396M
8:00 PM	U.S.	<b>Gasoline Inventories</b>		-2.050M	-3.199M
11:30 PM	U.S.	<b>Federal Budget Balance (Aug)</b>		-119.5B	-43.0B

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