



COMMODITY REPORT

15 January 2018

ECONOMIC/GLOBAL NEWS

- Gold prices marked a fresh four-month high to tally a fifth week of gains in a row, finding support as the dollar extended its earlier decline despite a slightly higher-than-expected climb in core U.S. inflation. February gold rose \$12.40, or 0.94%, to settle at \$1,334.90 an ounce. MCX Gold February expiry closed at Rs. 29547 per 10 gram, up 0.53%.
- China's banks extended CNY 584.4 billion loans in December compared to CNY 1.12 trillion in November. The M2 money supply increased 8.2% on a yearly basis.
- U.S. consumer price index inched up by 0.1% in December after climbing by 0.4 in November. Core consumer prices increased by 0.3% in December after ticking up by 0.1% in November. The annual rate of consumer price growth slowed to 2.1% in December from 2.2% November, although the annual rate of core price growth accelerated to 1.8% from 1.7%.
- U.S. retail sales increased by 0.4% in December after climbing by an upwardly revised 0.9% in November. Core retail sales increased by 0.3% in December after spiking by an upwardly revised 1.4% in November. Compared to the same month a year ago, retail sales were up by 5.4% in December, reflecting a deceleration from the 6.0% year-over-year growth in November.
- U.S. business inventories climbed by 0.4% in November.
- France's consumer prices climbed 1.2% year-on-year in December, the same pace of increase as seen in November.
- India's consumer price inflation stand at 5.21% in December, compared with a 15-month high of 4.88% the previous month.
- India's industrial production rose 8.4% in November, compared with 2.2% the previous month. Manufacturing grew 10.2% in November from the low 2.2% in October. Cumulative IIP growth for this fiscal year was now at 3.2 per cent, compared to the same period last year.

Index	12-Jan-18	11-Jan-18	Pts. Ch.	% Change
Dow	25803.19	25574.73	228.46	0.89
Nifty	10681.25	10651.20	30.05	0.28
Sensex	34592.39	34503.49	88.90	0.26
USD/INR	63.63	63.66	-0.02	-0.04
Dollar Index	90.73	91.61	-0.88	-0.96
Euro/\$1US	1.2187	1.2032	0.0155	1.29
\$1US/Yen	111.04	111.25	-0.21	-0.19
Pound/\$1US	1.3729	1.3538	0.0191	1.41

Market Update

- U.S. stock-market indexes closed at records and booked weekly gains, as investors remained optimistic over the economy and the state of American corporations as the fourth-quarter earnings season began. The S&P 500 added 18.68 points, or 0.7%, to 2,786.24. The Nasdaq Composite Index rose 49.28 points to 7,261, a gain of 0.7%.
- Indian market clocked modest gains in highly volatile session of trade. The Sensex and the Nifty, both, hit record high on intraday as well as closing basis.

Currency Update

- The euro surged against rivals, hitting a three-year high against the dollar after German lawmakers reached an agreement on a blueprint for a ruling coalition between Chancellor Angela Merkel's Christian Democrats and the opposing Social Democrats. The ICE U.S. Dollar Index was down 1% to 90.393. The WSJ Dollar Index dropped 0.7% to 84.78. The euro shot up by more than 1% to \$1.2195 from \$1.2034. The British pound reached its highest level since the U.K.'s vote to leave the EU on Friday at \$1.3744. Sterling last bought \$1.3733, up from \$1.3539. Against the Japanese yen, the U.S. currency bought ¥111.00 compared with ¥111.26.
- The rupee surrendered most of its early strong gains but eventually managed to end higher by a modest two paise at 63.63 against the US dollar in a highly volatile trade. Staging a rebound, the rupee resumed on a positive note at 63.60 from previous close of 63.66. After plunging to a fresh low of 63.72 in the late afternoon deals, it managed to regain some lost ground and settled marginally higher at 63.63, revealing a gain of 2 paise or 0.04%.

Name of the ETF	Holdings In Tonnes As		%Ch
	12-Jan-18	11-Jan-18	
SPDR Gold ETF	828.96	828.96	0.00
iShares Silver Trust	9839.55	9839.55	0.00

Symbol	12-Jan-18		Ratio
	Close	Close	
Gold v/s Silver	1335	17.141	77.88
Gold v/s Crude Oil	1335	64.30	20.76

Bullion	Closing		% Ch
	12-Jan-18	11-Jan-18	
Gold Feb MCX	29547	29390	0.53
Gold Feb Comex	1335	1323	0.94
Silver Mar MCX	39063	38939	0.32
Silver Mar Comex	17.141	16.966	1.03
Energy			
Crude Oil Jan MCX	4065	4100	-0.85
Crude Feb Nymex	64.30	63.80	0.78
Natural Gas Jan MCX	204.00	195.40	4.40
Nat. Gas Feb Henry Hub	3.200	3.084	3.76

LME Inventories (In Tonnes)

Base Metals	12-Jan-18	11-Jan-18	Change	% Change
Aluminum	1086875	1088325	-1450	-0.13
Copper	204125	201650	2475	1.23
Nickel	365994	368292	-2298	-0.62
Lead	142075	142575	-500	-0.35
Zinc	180150	180175	-25	-0.01

Base Metals	Closing		% Ch
	12-Jan-18	11-Jan-18	
Aluminium Jan	141.00	138.80	1.59
Copper Feb	453.05	456.15	-0.68
Nickel Jan	803.70	802.80	0.11
Lead Jan	161.60	162.70	-0.68
Zinc Jan	217.60	216.65	0.44

ECONOMIC CALENDER

Monday January 15 2018

Time	Country	Event	Actual	Forecast	Previous
7:30 AM	China	FDI			9.80%
12:00 PM	India	WPI Food (YoY) (Dec)			6.06%
12:00 PM	India	WPI Fuel (YoY) (Dec)			8.82%
12:00 PM	India	WPI Inflation (YoY) (Dec)		4.00%	3.93%
12:00 PM	India	WPI Manufacturing Inflation (YoY) (Dec)			2.61%
3:30 PM	Eurozone	Trade Balance (Nov)		22.4B	18.9B
5:35 PM	India	Trade Balance		-12.37B	-13.83B

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