



COMMODITY REPORT

15 May 2017

ECONOMIC/GLOBAL NEWS

- Natural gas prices ended the week on a strong note extended the recent advance to a 4-day winning streak. June natural gas tacked on 1.4% to settle at \$3.424 per million British thermal units. MCX Natural Gas May expiry closed at Rs. 219.70 per British thermal unit, up 0.87%.
- China's industrial production climbed 6.5% year-over-year in April, slower than the 7.6% rise in March. Retail sales surged 10.7% annually in April, just below the 10.9% spike in the prior month. The fixed asset investment grew at a slightly slower pace of 8.9% in April from a year ago, following a 9.2% hike in March.
- U.S. consumer price index rose by 0.2% in April after falling by 0.3% in March. Core consumer prices inched up by 0.1% in April after dipping by 0.1% in March. Consumer prices in April were up by 2.2% compared to the same month a year ago, reflecting a slowdown from the 2.4% growth seen in March. The annual rate of growth in core consumer prices also slowed to 1.9% in April from 2.0% in the previous month.
- U.S. retail sales climbed by 0.4% in April. However, the report also said retail sales inched up by a revised 0.1% in March versus the 0.2% drop originally reported. Core retail sales rose by 0.3% in April, matching the increase seen in the previous month.
- U.S. preliminary reading on the consumer sentiment index for May came in at 97.7 compared to the final April reading of 97.0.
- U.S. business inventories edged up by 0.2% in March, matching the revised uptick seen in February.
- Eurozone industrial production slid unexpectedly by 0.1% month-on-month in March, the same pace of growth as seen in February. On a yearly basis, growth in industrial production improved to 1.9% in March from 1.4% in February.
- Germany's gross domestic product grew 0.6% sequentially, in the first quarter, but faster than the 0.4% expansion seen in the fourth quarter. On a yearly basis, the calendar-adjusted growth slowed slightly to 1.7% from 1.8% a quarter ago.
- Germany's consumer price index climbed 2.0% year-over-year in April, faster than the 1.6% rise in March. On a monthly basis, consumer prices remained flat in April after a 0.2% increase in the prior month.
- France's non-farm payroll employment grew 0.3% from the fourth quarter of 2016, when the figure rose 0.4%. On a year-on-year, non-farm payroll employment grew 1.2% or by 198,300 jobs in the first quarter.
- Japan's producer prices were up 0.2% on month in April, that was unchanged from the March reading. On a yearly basis, prices spiked 2.1% - up from 1.4% in the previous month.
- India's consumer price index rose 2.99% year-on-year in April following 3.89% in March. Food inflation eased to 0.61% from 2.01%. Compared to the previous month, the CPI edged up 0.15% and food prices grew 0.23%. The wholesale price inflation eased to 3.85% from 5.29% in March. Inflation in the fuel and power segment was 18.52% while that of manufactured products was 2.66% in April.
- India's industrial output growth slipped to 2.7% in March. The index of industrial production growth was 5.5% in March 2016. For 2016-17, factory output grew by 5% as against 3.4% in the year-ago period. The manufacturing sector output slowed to 1.2% in March, from 5% in the same month of the previous fiscal.

Index	12-May-17	11-May-17	Pts. Ch.	% Change
Dow	20896.61	20919.42	-22.81	-0.11
Nifty	9400.90	9422.40	-21.50	-0.23
Sensex	30188.15	30250.98	-62.83	-0.21
USD/INR	64.30	64.37	-0.07	-0.10
Dollar Index	99.13	99.50	-0.37	-0.37
Euro/\$1US	1.0931	1.0861	0.0070	0.64
\$1US/Yen	113.34	113.86	-0.52	-0.46
Pound/\$1US	1.2891	1.2886	0.0005	0.04

Market Update

- U.S. stocks closed slightly lower to record their first weekly retreat in nearly a month as investors weighed an uncertain political environment stemming from President Donald Trump's firing of former Federal Bureau of Investigation Director James Comey. The S&P 500 index slipped 3.54 points, or 0.2%, to close at 2,390.90. The Nasdaq Composite Index edged up 5.27 points to end at 6,121.23.
- Indian market settled with small losses after a rangebound trade as investors booked profits after indices scaled record highs yesterday, 11 May 2017. Key indices snapped four-day winning streak today, 12 May 2017.

Currency Update

- The U.S. dollar slumped, after retail sales and inflation data came in slightly below expectations, closing out a winning week for the greenback's performance. The ICE U.S. Dollar Index was off 0.4% at 99.17. The WSJ Dollar Index was down 0.4% at 90.13. One euro fetched \$1.0930, compared with \$1.0863. Against the yen, the dollar slipped to ¥113.28 from ¥113.87. On Friday, sterling traded at \$1.2885, unchanged from \$1.2887.
- The Indian rupee strengthened against the US dollar ahead of the key macro data. Rupee closed at 64.30 up 0.10% from its Thursday's close of 64.37. The rupee opened at 64.32 a dollar and touched a high of 64.26 and a low of 64.38.

Name of the ETF	Holdings In Tonnes As		%Ch
	12-May-17	11-May-17	
SPDR Gold ETF	851.89	851.89	0.00
iShares Silver Trust	10605.55	10531.96	0.70

Symbol	12-May-17		Ratio
	Close	Close	
Gold v/s Silver	1228	16.402	74.85
Gold v/s Crude Oil	1228	47.84	25.66

Bullion	Closing		% Ch
	12-May-17	11-May-17	
Gold Jun MCX	28005	28004	0.004
Gold Jun Comex	1228	1224	0.29
Silver Jul MCX	38155	37992	0.43
Silver Jul Comex	16.402	16.265	0.84
Energy			
Crude Oil May MCX	3066	3089	-0.74
Crude Jun Nymex	47.84	47.83	0.02
Natural Gas May MCX	219.70	217.80	0.87
Nat. Gas Jun Henry Hub	3.424	3.376	1.42

LME Inventories (In Tonnes)

Base Metals	12-May-17	11-May-17	Change	% Change
Aluminum	1556150	1564800	-8650	-0.55
Copper	329375	336725	-7350	-2.18
Nickel	380610	381834	-1224	-0.32
Lead	183150	178325	4825	2.71
Zinc	345150	347200	-2050	-0.59

Base Metals	Closing		% Ch
	12-May-17	11-May-17	
Aluminium May	121.20	120.85	0.29
Copper Jun	359.80	358.85	0.26
Nickel May	599.20	598.40	0.13
Lead May	136.30	139.95	-2.61
Zinc May	163.60	166.35	-1.65

ECONOMIC CALENDER

Monday May 15, 2017

Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	PPI (YoY) (Apr)	2.1%	1.8%	1.4%
5:20 AM	Japan	PPI (MoM) (Apr)	0.2%	-0.1%	0.2%
7:30 AM	China	Fixed Asset Investment (YoY) (Apr)	8.9%	9.1%	9.2%
7:30 AM	China	Industrial Production (YoY) (Apr)	6.5%	7.1%	7.6%
7:30 AM	China	Retail Sales (YoY) (Apr)	10.7%	10.6%	10.9%
Tentative	China	FDI			1.00%
Tentative	India	Exports (USD) (Apr)			29.23B
Tentative	India	Imports (USD) (Apr)			39.67B
Tentative	India	Trade Balance (Apr)		-12.79B	-10.44B

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