



# COMMODITY REPORT

16 January 2018

## ECONOMIC/GLOBAL NEWS

- MCX Copper futures soared sharply as the global cues were extremely firm. Copper had corrected but was back to the winning ways in Asia amid upbeat equities. MCX Copper futures also broke above Rs 460 per kg levels following this and currently trade at Rs 458.80 per kg, up 1.27% on the day.
- U.K. house prices climbed 0.7% month-on-month in January, reversing a 2.3% decline a month ago.
- Eurozone trade surplus rose to a seasonally adjusted EUR 22.5 billion in November from EUR 19 billion in October. Exports grew 3.4% month-on-month to EUR 187.1 billion and imports climbed 1.6% to EUR 164.6 billion. On an unadjusted basis, the trade surplus came in at EUR 26.3 billion versus EUR 23.8 billion in the previous year. Exports logged an annual growth of 7.7% and imports gained 7.3%.
- Australia's consumer confidence index climbed to 123.5 in the week ended January 14 from 112.0 in the preceding week.
- Japan's producer prices were up 0.2% on month in December, following the upwardly revised 0.5% gain in November (originally 0.4%). On a yearly basis, producer prices jumped 3.1% - following the upwardly revised 3.6% spike in the previous month (originally 3.5%).
- New Zealand business confidence deteriorated in the fourth quarter, a net 11% of businesses expect economic conditions to deteriorate over the first half of 2018.
- Ireland's seasonally adjusted trade surplus fell to EUR 3.51 billion in November from EUR 3.86 billion in October.
- India's wholesale price inflation climbed 3.58% year-on-year in December, slower than the 3.93% increase seen in November. Inflation on food articles slowed to 4.72% in December, from 6.06% in November 2017. In the fuel and power segment, wholesale inflation rose to 9.16% in December, while it was 2.61% for manufactured items.

Index	15-Jan-18	12-Jan-18	Pts. Ch.	% Change
<b>Dow</b>	CLOSED	25803.19	-	-
<b>Nifty</b>	10741.55	10681.25	<b>60.30</b>	<b>0.56</b>
<b>Sensex</b>	34843.51	34592.39	<b>251.12</b>	<b>0.73</b>
<b>USD/INR</b>	63.49	63.63	<b>-0.15</b>	<b>-0.23</b>
<b>Dollar Index</b>	90.13	90.73	<b>-0.60</b>	<b>-0.66</b>
<b>Euro/\$1US</b>	1.2267	1.2187	<b>0.0080</b>	<b>0.66</b>
<b>\$1US/Yen</b>	110.62	111.04	<b>-0.42</b>	<b>-0.38</b>
<b>Pound/\$1US</b>	1.3794	1.3729	<b>0.0065</b>	<b>0.47</b>

## Market Update

- U.S. market closed on **15th January, 2018** on account of "**Martin Luther King, Jr. Day**".
- Indian market settled with decent gains after hitting fresh record highs in intraday trade. Data showing industrial production surging at 25-month high pace of 8.4% in November boosted sentiment. Key indices gained for the third straight day. Both the Sensex, and the Nifty, hit record highs on intraday as well as on closing basis.

## Currency Update

- The dollar's weakening trend continued, as the greenback fell anew against the euro, pound and other major crosses, while a holiday in the U.S. was set to keep volumes thinner than normal. The ICE U.S. Dollar Index was down 0.6% to 90.452. Meanwhile, the WSJ Dollar Index dropped 0.4% to 84.43. The euro climbed to \$1.2267 from \$1.2200. The British pound was trading at \$1.3774 from \$1.3727. Against the Japanese yen, the U.S. currency bought ¥110.61 compared with ¥111.04.
- The rupee strengthened further by 15 paise to end at a fresh one-week high of 63.49 against the US currency on sustained dollar selling by exporters amid record rally in domestic equities. Reacting to weekend robust macro data, the rupee opened sharply higher at 63.49 against previous close of 63.63 at the Interbank Foreign Exchange (forex) market amid weak greenback overseas. Maintaining overall bullishness, it later hit a high of 63.33 in mid-morning deals. However, some fag-end dollar demand from importers forced rupee to surrender its early strong gains to end at 63.49, still showing a healthy gain of 15 paise, or 0.23%. The RBI fixed the reference rate for the dollar at 63.4125.

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

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

Bullion	Closing		% Ch
	15-Jan-18	12-Jan-18	
<b>Gold Feb MCX</b>	29752	29547	<b>0.69</b>
<b>Gold Feb Comex</b>	CLOSED	1335	-
<b>Silver Mar MCX</b>	39570	39063	<b>1.30</b>
<b>Silver Mar Comex</b>	CLOSED	17.141	-
<b>Energy</b>			
<b>Crude Oil Feb MCX</b>	4119	4065	<b>1.33</b>
<b>Crude Feb Nymex</b>	CLOSED	64.30	-
<b>Natural Gas Jan MCX</b>	199.60	204.00	<b>-2.16</b>
<b>Nat. Gas Feb Henry Hub</b>	CLOSED	3.200	-

## LME Inventories (In Tonnes)

Base Metals	15-Jan-18	12-Jan-18	Change	% Change
<b>Aluminum</b>	1084450	1086875	<b>-2425</b>	<b>-0.22</b>
<b>Copper</b>	202850	204125	<b>-1275</b>	<b>-0.62</b>
<b>Nickel</b>	364248	365994	<b>-1746</b>	<b>-0.48</b>
<b>Lead</b>	141050	142075	<b>-1025</b>	<b>-0.72</b>
<b>Zinc</b>	180150	180150	<b>0</b>	<b>0.00</b>

Base Metals	Closing		% Ch
	15-Jan-18	12-Jan-18	
<b>Aluminium Jan</b>	141.10	141.00	<b>0.07</b>
<b>Copper Feb</b>	458.80	453.05	<b>1.27</b>
<b>Nickel Jan</b>	817.80	803.70	<b>1.75</b>
<b>Lead Jan</b>	164.35	161.60	<b>1.70</b>
<b>Zinc Jan</b>	219.85	217.60	<b>1.03</b>

## ECONOMIC CALENDER

Tuesday January 16 2018

Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	<b>PPI (MoM) (Dec)</b>	<b>0.2%</b>	0.4%	0.5%
5:20 AM	Japan	<b>PPI (YoY) (Dec)</b>	<b>3.1%</b>	3.2%	3.6%
12:30 PM	Germany	<b>German CPI (MoM) (Dec)</b>		0.6%	0.6%
12:30 PM	Germany	<b>German CPI (YoY) (Dec)</b>		1.7%	1.7%
12:30 PM	Germany	<b>German WPI (YoY) (Dec)</b>			3.3%
12:30 PM	Germany	<b>German WPI (MoM) (Dec)</b>			0.5%
1:15 PM	France	<b>French Government Budget Balance (Nov)</b>			-77.2B
3:00 PM	U.K.	<b>Core CPI (YoY) (Dec)</b>		2.6%	2.7%
3:00 PM	U.K.	<b>Core PPI Output (YoY) (Dec)</b>		2.3%	2.2%
3:00 PM	U.K.	<b>Core PPI Output (MoM) (Dec)</b>		0.2%	0.2%
3:00 PM	U.K.	<b>Core RPI (YoY) (Dec)</b>			4.0%
3:00 PM	U.K.	<b>Core RPI (MoM) (Dec)</b>			0.1%
3:00 PM	U.K.	<b>CPI (YoY) (Dec)</b>		3.0%	3.1%
3:00 PM	U.K.	<b>CPI (MoM) (Dec)</b>		0.4%	0.3%
3:00 PM	U.K.	<b>House Price Index (YoY)</b>			4.5%
3:00 PM	U.K.	<b>PPI Input (MoM) (Dec)</b>		0.4%	1.8%
3:00 PM	U.K.	<b>PPI Input (YoY) (Dec)</b>		5.4%	7.3%
3:00 PM	U.K.	<b>PPI Output (MoM) (Dec)</b>		0.3%	0.3%
3:00 PM	U.K.	<b>PPI Output (YoY) (Dec)</b>		2.9%	3.0%
3:00 PM	U.K.	<b>RPI (MoM) (Dec)</b>		0.6%	0.2%
3:00 PM	U.K.	<b>RPI (YoY) (Dec)</b>		3.9%	3.9%

## 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