



COMMODITY REPORT

16 August 2017

ECONOMIC/GLOBAL NEWS

- Silver marked its worst single-session decline since July 7. It finished lower for the first time in six sessions. September silver tumbled 40.8 cents, or 2.38%, to end at \$16.714 an ounce.
- China's new yuan loans dropped to CNY 825.5 billion from CNY 1.54 trillion in June. The annual growth in M2 slowed to 9.2% in July from 9.4% in June.
- U.S. retail sales climbed by 0.6% in July after rising by a revised 0.3% in June. Core retail sales still rose by 0.5% in July following a 0.1% uptick in June.
- U.S. business inventories climbed by 0.5% in June after rising by 0.3% in May.
- U.S. imported goods steadied after declines the previous two months, rising 0.1% in July. Export prices raced ahead by 0.4% last month after decreasing 0.2% in June.
- The American Petroleum Institute reported that U.S. crude supplies dropped 9.2 million barrels for the week ended Aug. 11. The API data also showed a rise of 301,000 barrels in gasoline supplies, while inventories of distillates were down 2.1 million barrels.
- U.K. consumer prices climbed 2.6% annually in July, the same rate as seen in June. Core inflation also remained stable, at 2.4% in July. On a monthly basis, consumer prices fell 0.1% in July, while they were expected to remain flat.
- U.K. output prices grew 3.2% annually in July, weaker than the 3.3% increase in June. On the month, output prices gained 0.1% after staying flat in June. Input price inflation eased more-than-expected to a 1-year low of 6.5% in July from 10% in June. Month-on-month, input prices remained flat in July in contrast to a 0.3% fall in June.
- U.K. house prices rose 4.9% in June, compared to 5% in May. It was the slowest increase since March.
- Eurozone industrial production decreased 0.6% month-on-month in June, reversing a revised 1.2% rise in May. Year-on-year, industrial production growth eased more-than-expected to 2.6% in June from 3.9% in May.
- Germany's gross domestic product grew 0.6% sequentially in the second quarter. Moreover, the first quarter growth was revised up to 0.7% from 0.6%. Price-adjusted GDP growth came in at 0.8% versus 3.2% a quarter ago.
- The Reserve Bank of Australia repeated its warning on rising household debt as a macro-economic risk, but suggested "above potential" economic growth was possible ahead without signalling any change in its steady interest rate views, in board meeting minutes of its August meeting released. The RBA held steady at a record low 1.50%.
- Japan's industrial production climbed a seasonally adjusted 2.2% month-over-month in June instead of a 1.6% rise reported earlier.
- India's consumer price inflation rose 2.36% year-on-year in July. June's inflation rate was revised down to 1.46% from 1.54%. Compared to the previous month, the CPI rose 1.67% in July.
- India's wholesale price inflation climbed 1.88% year-on-year in July, faster than the 0.90% rise in June. The WPI food index increased 2.12% from last year, in contrast to a 1.25% fall in June. Data showed that food article prices advanced 2.15% reversing a 3.47% drop in the previous month. Meanwhile, non-food article prices fell 6.32%, following a 5.15% drop. The annual growth in fuel and power prices slowed to 4.37% from 5.28%. At the same time, manufactured products prices gained 2.18% after rising 2.27%.
- India's trade deficit narrowed to \$11.45 billion in July from a month ago. The trade shortfall was \$12.96 billion in June. Imported goods worth \$33.99 billion last month, up 15.42% from a year ago. The figure was lower than imports of \$36.52 billion in June. Gold imports, however, in July nearly doubled from last year to \$2.1 billion. Merchandise exports for July came in at \$22.54 billion, up 3.94% year-on-year.

Index	15-Aug-17	14-Aug-17	Pts. Ch.	% Change
Dow	21998.99	21993.71	5.28	0.02
Nifty	CLOSED	9794.15	-	-
Sensex	CLOSED	31449.03	-	-
USD/INR	CLOSED	64.12	-	-
Dollar Index	93.75	93.31	0.44	0.47
Euro/\$1US	1.1740	1.1780	-0.0040	-0.34
\$1US/Yen	110.59	109.64	0.95	0.87
Pound/\$1US	1.2868	1.2965	-0.0097	-0.75

Market Update

- The Dow industrials managed to eke out a third day of gains, but overall the main benchmarks ended little changed amid better-than-expected retail sales data and an abatement of tensions between the U.S. and North Korea. The S&P 500 index declined 1.23 points to finish at 2,464.61. The Nasdaq Composite Index slipped 7.22 points, or 0.1%, to close at 6,333.01. The Nasdaq Composite Index climbed 39.68 points, or 0.6%, to close at 6,256.56.
- Indian market closed on **15th August** on account of "Independence Day".

Currency Update

- The U.S. dollar strengthened after economic data, including July retail sales, beat expectations and cast the U.S. economy in a relatively favorable light. The greenback retreated slightly from its gains against its main rivals as the day went on, but broadly finished the day up from Monday. The ICE U.S. Dollar Index reading 98.8170, down from its initial spike to 94.0370 earlier in the day, but still higher compared with 93.7920 before the data releases. The euro clawed back some of its losses and was down 0.4% at \$1.1736, compared with \$1.1702 after the reports were released. The dollar rose to ¥110.61, up from ¥109.63.
- Indian currency market closed on **15th August** on account of "Independence Day".

Name of the ETF	Holdings In Tonnes As		%Ch
	15-Aug-17	14-Aug-17	
SPDR Gold ETF	791.01	791.01	0.00
iShares Silver Trust	10445.33	10445.33	0.00

Symbol	15-Aug-17		Ratio
	Close	Close	
Gold v/s Silver	1280	16.714	76.56
Gold v/s Crude Oil	1280	47.55	26.91

Bullion	Closing		% Ch
	15-Aug-17	14-Aug-17	
Gold Oct MCX	CLOSED	29080	-
Gold Dec Comex	1280	1290	-0.83
Silver Sep MCX	CLOSED	39178	-
Silver Sep Comex	16.714	17.122	-2.38
Energy			
Crude Oil Aug MCX	CLOSED	3070	-
Crude Sep Nymex	47.55	47.59	-0.08
Natural Gas Aug MCX	CLOSED	189.30	-
Nat. Gas Sep Henry Hub	2.935	2.959	-0.81

LME Inventories (In Tonnes)

Base Metals	15-Aug-17	14-Aug-17	Change	% Change
Aluminum	1288925	1291250	-2325	-0.18
Copper	280975	283325	-2350	-0.83
Nickel	384258	375288	8970	2.39
Lead	149225	151925	-2700	-1.78
Zinc	252900	255275	-2375	-0.93

Base Metals	Closing		% Ch
	15-Aug-17	14-Aug-17	
Aluminium Aug	CLOSED	128.95	-
Copper Aug	CLOSED	411.05	-
Nickel Aug	CLOSED	667.40	-
Lead Aug	CLOSED	149.40	-
Zinc Aug	CLOSED	186.65	-

ECONOMIC CALENDER

Wednesday August 16 2017

Time	Country	Event	Actual	Forecast	Previous
2:05 AM	U.S.	API Weekly Crude Oil Stock	-9.200M	-0.472M	-7.839M
1:55 PM	India	M3 Money Supply			7.1%
2:00 PM	U.K.	Claimant Count Change (Jul)		3.7K	5.9K
2:00 PM	U.K.	Unemployment Rate (Jun)		4.5%	4.5%
2:30 PM	Eurozone	GDP (QoQ) (Q2)		0.6%	0.6%
2:30 PM	Eurozone	GDP (YoY) (Q2)		2.1%	2.1%
6:00 PM	U.S.	Building Permits (Jul)		1.250M	1.254M
6:00 PM	U.S.	Building Permits (MoM) (Jul)		-2.0%	7.4%
6:00 PM	U.S.	Housing Starts (MoM) (Jul)		0.5%	8.3%
6:00 PM	U.S.	Housing Starts (Jul)		1.222M	1.215M
6:30 PM	India	M3 Money Supply			7.1%
8:00 PM	U.S.	Crude Oil Inventories		-3.058M	-6.451M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		-0.572M	-1.729M
8:00 PM	U.S.	Gasoline Inventories		-1.078M	3.424M
11:30 PM	U.S.	FOMC Meeting Minutes			

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