



COMMODITY REPORT

18 May 2017

ECONOMIC/GLOBAL NEWS

- Gold futures rallied, with fresh U.S. political worries lifting prices to their highest settlement of the month. Gold for June delivery gained \$22.30, or 1.8%, to settle at \$1,258.70 an ounce. MCX Gold June expiry closed at Rs. 28619 per 10 gram, up 1.87%.
- China home prices rose 0.7% in April, barely faster than the 0.6% increase in March. Compared with a year ago, new home prices in China's 70 major cities rose 10.7% in April, moderating from 11.3% in March
- The U.S. Energy Information Administration showed that domestic crude supplies fell by 1.8 million barrels for the week ended May 12. Gasoline stockpiles declined by 400,000 barrels, while distillate stockpiles were down 1.9 million barrels last week, according to the EIA.
- U.K. ILO jobless rate came in at 4.6% in three months to March, the lowest since 1975. The rate dropped from 5.1% in the prior year and 4.8% in the fourth quarter of 2016. In April, the number of people claiming unemployment benefits increased by 19,400 from prior month.
- Eurozone inflation climbed to 1.9% in April from 1.5% in March. Core inflation accelerated to 1.2% from 0.7% in March. On a monthly basis, overall consumer prices climbed 0.4% in April.
- Japan's gross domestic product gained 0.5% on quarter in the first three months of 2017. On an annualized basis, GDP jumped 2.2% - up from the upwardly revised 1.4% gain in the three months prior (originally 1.2%).
- Australia's jobless rate slipped to 5.7% in April, from 5.9% March reading. The Australian economy added 37,400 jobs to 12,099,300 in April.

Index	17-May-17	16-May-17	Pts. Ch.	% Change
Dow	20606.93	20979.75	-372.82	-1.78
Nifty	9525.75	9512.25	13.50	0.14
Sensex	30658.77	30582.60	76.17	0.25
USD/INR	64.16	64.08	0.08	0.12
Dollar Index	97.46	98.00	-0.54	-0.55
Euro/\$1US	1.1159	1.1082	0.0077	0.69
\$1US/Yen	110.82	113.12	-2.30	-2.03
Pound/\$1US	1.2973	1.2917	0.0056	0.43

Market Update

- The Nasdaq saw its worst one-day decline since the day after U.K.'s vote to exit from the European Union rattled markets, as turmoil in Washington cast doubt on President Donald Trump's pro-growth agenda that had helped to drive stocks to records. The S&P 500 index down 43.64 points, or 1.8%, to 2,357.03. The Nasdaq Composite Index coughed up 158.63 points, or 2.6%, to end at 6,011.24.
- Indian market registered small gains in a volatile session of trade. Both the Sensex and the Nifty hit record high levels in late trade.

Currency Update

- The dollar fell against its major rivals, extending its recent weakness amid escalating U.S. political concerns following a report that President Donald Trump tried to influence an FBI probe into links between the inner circle of his presidential campaign and Russia. The ICE Dollar Index declined 0.4% to 97.69. The euro changed hands at \$1.1137, up 0.5% from \$1.1085. The Japanese yen was trading at ¥111.35, down 1.6% from ¥113.11. The pound was buying \$1.2947, up 0.3% from \$1.2915.
- The rupee failed to maintain its strong initial gains and ended lower by 8 paise at 64.16, the second consecutive session fall against the US dollar due to sustained demand for the American currency from importers. The local unit resumed firmly higher at 63.99 from overnight close of 64.08 at the Interbank Foreign Exchange market on bouts of dollar selling by exporters. It then strengthened further to touch a high of 63.95 before retreating sharply to hit an intra-day low of 64.16 in late afternoon deals. After trading range-bound, the domestic unit finally settled the day at 64.15, showing a loss of 8 paise, or 0.12%. The RBI fixed the reference rate for the dollar at 64.0214.

Name of the ETF	Holdings In Tonnes As		%Ch
	17-May-17	16-May-17	
SPDR Gold ETF	851.89	851.89	0.00
iShares Silver Trust	10649.70	10649.70	0.00

Symbol	17-May-17		Ratio
	Close	Close	
Gold v/s Silver	1259	16.906	74.45
Gold v/s Crude Oil	1259	49.07	25.65

Bullion	Closing		% Ch
	17-May-17	16-May-17	
Gold Jun MCX	28619	28094	1.87
Gold Jun Comex	1259	1236	1.80
Silver Jul MCX	39199	38744	1.17
Silver Jul Comex	16.906	16.747	0.95
Energy			
Crude Oil Jun MCX	3192	3158	1.08
Crude Jun Nymex	49.07	48.66	0.84
Natural Gas May MCX	204.70	206.30	-0.78
Nat. Gas Jun Henry Hub	3.192	3.230	-1.18

LME Inventories (In Tonnes)

Base Metals	17-May-17	16-May-17	Change	% Change
Aluminum	1526800	1536275	-9475	-0.62
Copper	339600	322500	17100	5.30
Nickel	380340	380250	90	0.02
Lead	183800	183250	550	0.30
Zinc	347700	349300	-1600	-0.46

Base Metals	Closing		% Ch
	17-May-17	16-May-17	
Aluminium May	123.70	123.45	0.20
Copper Jun	363.15	362.45	0.19
Nickel May	585.40	585.60	-0.03
Lead May	135.45	133.45	1.50
Zinc May	164.35	163.05	0.80

ECONOMIC CALENDER

Thursday May 18, 2017

Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	GDP (QoQ) (Q1)	0.5%	0.4%	0.3%
5:20 AM	Japan	GDP (YoY) (Q1)	2.2%	1.7%	1.4%
7:00 AM	Australia	Employment Change (Apr)	37.4K	5.0K	60.0K
7:00 AM	Australia	Unemployment Rate (Apr)	5.7%	5.9%	5.9%
7:00 AM	China	House Prices (YoY) (Apr)	10.7%		11.3%
11:00 AM	France	French Unemployment Rate (Q1)			10.0%
2:00 PM	U.K.	Core Retail Sales (MoM) (Apr)		1.1%	-1.5%
2:00 PM	U.K.	Core Retail Sales (YoY) (Apr)		2.5%	2.6%
2:00 PM	U.K.	Retail Sales (YoY) (Apr)		2.1%	1.7%
2:00 PM	U.K.	Retail Sales (MoM) (Apr)		1.0%	-1.8%
6:00 PM	U.S.	Continuing Jobless Claims		1,960K	1,918K
6:00 PM	U.S.	Initial Jobless Claims		240K	236K
8:00 PM	U.S.	Natural Gas Storage		61B	45B

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