



## COMMODITY REPORT

19 January 2018

### ECONOMIC/GLOBAL NEWS

- Gold prices finished lower, suffering from their largest one-day decline in more than a month. February gold fell \$12, or 0.9%, to settle at \$1,327.20 an ounce. MCX Gold February expiry closed at Rs. 29645 per 10 gram, down 0.38%.
- China's gross domestic product climbed 6.8% year-on-year in the fourth quarter, the same pace of growth as seen in the third quarter. GDP in the fourth quarter grew 1.6% quarter-on-quarter, compared with revised growth of 1.8% in July-September.
- China's industrial production advanced 6.2% annually, slightly faster than the 6.1% increase seen in November. For the whole year of 2017, industrial production grew 6.6%, as expected. Retail sales growth eased to 9.4% in December from 10.2% in November. Retail sales logged an annual growth of 10.2%. Fixed asset investment increased at a slower pace of 7.2% in 2017.
- U.S. initial jobless claims fell to 220,000 in the week ended January 13th, a decrease of 41,000 from the previous week's unrevised level of 261,000. Continuing claims climbed by 76,000 to 1.952 million in the week ended January 6th.
- U.S. housing starts tumbled by 8.2% to an annual rate of 1.192 million in December from the revised November estimate of 1.299 million. Building permits edged down by 0.1% to a rate of 1.302 million in December from a revised 1.303 million in November.
- The U.S. Energy Information Administration reported that domestic crude supplies dropped 6.9 million barrels for the week ended Jan. 12. Gasoline stockpiles climbed by 3.6 million barrels for the week, while distillate stockpiles declined by 3.9 million barrels, according to the EIA.
- The U.S. Energy Information Administration reported that domestic supplies of natural gas fell by 183 billion cubic feet for the week ended Jan. 12. Total stocks now stand at 2.584 trillion cubic feet, down 368 billion cubic feet from a year ago, and 362 billion below the five-year average, the government said.
- Hong Kong's unemployment rate dropped to 2.9% in the October to December period, edged down from 3.0% in the September to November period.

Index	18-Jan-18	17-Jan-18	Pts. Ch.	% Change
<b>Dow</b>	26017.81	26115.65	<b>-97.84</b>	<b>-0.37</b>
<b>Nifty</b>	10817.00	10788.55	<b>28.45</b>	<b>0.26</b>
<b>Sensex</b>	35260.29	35081.82	<b>178.47</b>	<b>0.51</b>
<b>USD/INR</b>	63.85	63.88	<b>-0.03</b>	<b>-0.05</b>
<b>Dollar Index</b>	90.31	90.31	<b>0.00</b>	<b>0.00</b>
<b>Euro/\$1US</b>	1.2235	1.2186	<b>0.0049</b>	<b>0.40</b>
<b>\$1US/Yen</b>	111.04	111.28	<b>-0.24</b>	<b>-0.22</b>
<b>Pound/\$1US</b>	1.3893	1.3827	<b>0.0066</b>	<b>0.48</b>

### Market Update

- U.S. stock benchmarks finished lower, pressured by worries over the possibility of a partial government shutdown, as investors sorted through a fresh batch of quarterly earnings results. The S&P 500 was off 4.53 points, or 0.2%, to 2,798.03, led by declines in energy, real estate, and utilities. The Nasdaq Composite Index shed 2.23 points to 7,296.05.
- Indian market registered modest gains in a highly volatile session of trade. Positive global stocks underpinned sentiment. Both the Sensex, and the Nifty, hit record high levels in intraday as well as on closing basis.

### Currency Update

- The dollar weakened against other major currencies, pulling back after a late-day rally in the prior session that was sparked by a Federal Reserve report suggesting U.S. inflation is picking up. The ICE U.S. Dollar Index was down 0.5% at 90.512. The broader WSJ Dollar Index was down 0.4% at 84.41. The euro rose to \$1.2240, up from \$1.2188. The British pound last bought \$1.3899 compared with \$1.3830. The dollar weakened against the yen trading at ¥111.04 compared with ¥111.28.
- Rising for the second straight session, the rupee today ended marginally higher by two paise at 63.85 against the American currency. It oscillated in a narrow band of 63.74 and 63.95 during the day. The rupee resumed marginally positive at 63.85 against its previous close of 63.88 at the Interbank Foreign Exchange (forex) market on the back of dollar inflows amid bullish equities. After touching an intra-day low of 63.95 towards the tail-end trade, the local currency managed to recoup losses and ended with a modest 2 paise gain at 63.85.

Name of the ETF	Holdings In Tonnes As		%Ch
	18-Jan-18	17-Jan-18	
<b>SPDR Gold ETF</b>	840.76	828.96	<b>1.42</b>
<b>iShares Silver Trust</b>	9813.15	9839.55	<b>-0.27</b>

Symbol	18-Jan-18		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1327	16.954	<b>78.28</b>
<b>Gold v/s Crude Oil</b>	1327	63.89	<b>20.77</b>

Bullion	Closing		% Ch
	18-Jan-18	17-Jan-18	
<b>Gold Feb MCX</b>	29645	29757	<b>-0.38</b>
<b>Gold Feb Comex</b>	1327	1339	<b>-0.90</b>
<b>Silver Mar MCX</b>	38917	39201	<b>-0.72</b>
<b>Silver Mar Comex</b>	16.954	17.166	<b>-1.23</b>
<b>Energy</b>			
<b>Crude Oil Feb MCX</b>	4091	4090	<b>0.02</b>
<b>Crude Mar Nymex</b>	63.89	63.92	<b>-0.05</b>
<b>Natural Gas Feb MCX</b>	199.30	194.70	<b>2.36</b>
<b>Nat. Gas Feb Henry Hub</b>	3.189	3.232	<b>-1.33</b>

## LME Inventories (In Tonnes)

Base Metals	18-Jan-18	17-Jan-18	Change	% Change
<b>Aluminum</b>	1090875	1088725	<b>2150</b>	<b>0.20</b>
<b>Copper</b>	205475	204675	<b>800</b>	<b>0.39</b>
<b>Nickel</b>	362532	364968	<b>-2436</b>	<b>-0.67</b>
<b>Lead</b>	139650	140125	<b>-475</b>	<b>-0.34</b>
<b>Zinc</b>	180025	180100	<b>-75</b>	<b>-0.04</b>

Base Metals	Closing		% Ch
	18-Jan-18	17-Jan-18	
<b>Aluminium Jan</b>	143.50	140.30	<b>2.28</b>
<b>Copper Feb</b>	452.70	450.75	<b>0.43</b>
<b>Nickel Jan</b>	795.50	790.20	<b>0.67</b>
<b>Lead Jan</b>	166.70	163.25	<b>2.11</b>
<b>Zinc Jan</b>	217.70	217.40	<b>0.14</b>

## ECONOMIC CALENDER

Friday January 19 2018					
Time	Country	Event	Actual	Forecast	Previous
12:30 PM	Germany	<b>German PPI (MoM) (Dec)</b>		0.2%	0.1%
12:30 PM	Germany	<b>German PPI (YoY) (Dec)</b>		2.3%	2.5%
2:30 PM	Eurozone	<b>Current Account (Nov)</b>			30.8B
2:30 PM	Eurozone	<b>Current Account n.s.a. (Nov)</b>			35.9B
3:00 PM	U.K.	<b>Core Retail Sales (MoM) (Dec)</b>		-0.8%	1.2%
3:00 PM	U.K.	<b>Core Retail Sales (YoY) (Dec)</b>		3.0%	1.5%
3:00 PM	U.K.	<b>Retail Sales (MoM) (Dec)</b>		-0.6%	1.1%
3:00 PM	U.K.	<b>Retail Sales (YoY) (Dec)</b>		3.0%	1.6%
5:00 PM	India	<b>Bank Loan Growth</b>			10.7%
5:00 PM	India	<b>Deposit Growth</b>			4.0%
5:00 PM	India	<b>FX Reserves, USD</b>			411.12B
8:30 PM	U.S.	<b>Michigan Consumer Sentiment (Jan)</b>		97.0	95.9

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