



COMMODITY REPORT

20 February 2017

ECONOMIC/GLOBAL NEWS

- Gold prices slipped lower, as the U.S. dollar slightly recovered from losses posted in the previous session, although ongoing geopolitical concerns were likely to continue to support safe-haven demand. April gold fell \$2.50, or 0.2%, to settle at \$1,239.10 an ounce. MCX Gold April expiry closed at Rs. 29360 per 10 gram, down 0.19%.
- U.S. Conference Board leading economic index climbed by 0.6% in January after rising by 0.5% in December.
- U.K. retail sales dropped 0.3% month-on-month in January, following a 2.1% fall in December. Core retail sales volume slid 0.2%. Nonetheless, the pace of decline was slower than December's 2.2% decrease. Year-on-year, retail sales growth eased sharply to 1.5% from 4.1% a month ago. Core retail sales growth came in at 2.6% versus 4.7% in December.
- U.K. average asking price for a house was up 2.0% on month in February, up from 0.4% in January. On a yearly basis, house prices were up 2.3% - down from 3.2% in the previous month.
- Eurozone current account surplus fell to a seasonally adjusted EUR 31 billion in December from EUR 36.4 billion in November.
- Italy's current account surplus rose to EUR 5.53 billion in December from EUR 5.41 billion in the prior year. The surplus on trade in goods fell to EUR 6.27 billion from EUR 6.51 billion and the deficit on services trade widened to EUR 740 million from EUR 684 million prior year.
- Japan posted a merchandise trade deficit of 1,086.9 billion yen in January - ballooning the deficit an annual 67.8%, following the 640.4 billion yen deficit in December. Exports were up 1.3% on year to 5.421 trillion yen, down from 5.4% in the previous month. Imports jumped an annual 8.5% to 6.508 trillion yen after contracting 2.6% a month earlier. The adjusted trade surplus was 155.5 billion yen, down from 327.5 billion yen in December.
- South Korea producer prices were up 1.3% on month in January that follows the 0.8% gain in December. On a yearly basis, producer prices spiked 3.7% after rising 1.8% in the previous month.
- New Zealand producer price outputs advanced 1.5% on quarter in the fourth quarter of 2016 - after the 1.0% increase in the third quarter.
- Thailand's gross domestic product climbed 3% year-on-year in the fourth quarter, slower than the 3.2% expansion seen in the third quarter. In 2016 as a whole, GDP growth came in at 3.2% versus 2.9% in 2015. On a sequential basis, the economy grew 0.4% in the fourth quarter, the same pace as seen in the prior quarter.
- Singapore's domestic wholesale sales climbed 10.3% quarter-on-quarter in the fourth quarter, much faster than the 0.7% rise in the previous quarter.

Index	17-Feb-17	16-Feb-17	Pts. Ch.	% Change
Dow	20624.05	20619.77	4.28	0.02
Nifty	8821.70	8778.00	43.70	0.50
Sensex	28468.75	28301.27	167.48	0.59
USD/INR	67.03	67.08	-0.05	-0.07
Dollar Index	100.95	100.43	0.52	0.52
Euro/\$1US	1.0614	1.0674	-0.0060	-0.56
\$1US/Yen	112.88	113.23	-0.35	-0.31
Pound/\$1US	1.2414	1.2490	-0.0076	-0.61

Market Update

- All three major stock indexes closed at records with the Dow Jones Industrial Average eking out gains to extend its record-setting streak to a seventh session. With the exception of the Nasdaq Composite, the stock market had languished in negative territory most of the day but recouped losses toward the closing bell. The S&P 500 index edged up 3.94 points, or 0.2%, to close at 2,351.16, climbing 1.5% on the week. The Nasdaq Composite Index rose 23.68 points, or 0.4%, to end at 5,838.58, up 1.8% for the week.
- Trading for the week ended on a positive note as Nifty and Sensex closed with decent gains despite negative global stocks.

Currency Update

- The dollar was mostly higher against major rival, with the dollar index recording a second straight weekly advance. The ICE U.S. Dollar Index rose 0.5% to 100.94. The WSJ Dollar Index rose 0.3% to 91.06. The pound slid to \$1.2421 from \$1.2494. The Japanese yen strengthened against the dollar, with the dollar falling to ¥112.92, compared with ¥113.25. The euro also falling to \$1.0608 from \$1.0664.
- The rupee recovered some lost ground by rising 5 paise to close at 67.03 due to fag-end dollar selling by banks and exporters in view of weakness in the greenback overseas amid persistent rise in equities. The rupee resumed lower at 67.10 as against the yesterday's closing of 67.08 at the Interbank Foreign Exchange market and dropped further to 67.1525 on initial dollar demand. However, the domestic currency recovered afterwards to 66.9850 on selling of the American currency by banks and exporters due to weakness of dollar in the global market before closing at 67.02, showing a gain of 5 paise, or 0.07%. The domestic unit hovered in the range of 66.9850-67.1525 per dollar during the day.

Name of the ETF	Holdings In Tonnes As		%Ch
	17-Feb-17	16-Feb-17	
SPDR Gold ETF	841.17	843.54	-0.28
iShares Silver Trust	10410.74	10410.74	0.00

Symbol	17-Feb-17		Ratio
	Close	Close	
Gold v/s Silver	1239	18.030	68.72
Gold v/s Crude Oil	1239	53.78	23.04

Bullion	Closing		% Ch
	17-Feb-17	16-Feb-17	
Gold Apr MCX	29360	29416	-0.19
Gold Apr Comex	1239	1242	-0.20
Silver Mar MCX	42937	43010	-0.17
Silver Mar Comex	18.030	18.074	-0.24
Energy			
Crude Oil Mar MCX	3604	3624	-0.55
Crude Apr Nymex	53.78	53.75	0.06
Natural Gas Feb MCX	191.20	192.80	-0.83
Nat. Gas Mar Henry Hub	2.834	2.854	-0.70

LME Inventories (In Tonnes)

Base Metals	17-Feb-17	16-Feb-17	Change	% Change
Aluminum	2202350	2208050	-5700	-0.26
Copper	229075	236725	-7650	-3.23
Nickel	379494	380100	-606	-0.16
Lead	189750	189125	625	0.33
Zinc	390850	393925	-3075	-0.78

Base Metals	Closing		% Ch
	17 - Feb-17	16-Feb-17	
Aluminium Feb	125.65	127.05	-1.10
Copper Feb	400.20	402.05	-0.46
Nickel Feb	739.70	739.60	0.01
Lead Feb	151.15	153.35	-1.43
Zinc Feb	188.05	192.00	-2.06

ECONOMIC CALENDER

Monday Feb 20, 2017					
Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	Adjusted Trade Balance	0.16T	0.28T	0.33T
5:20 AM	Japan	Exports (YoY) (Jan)	1.3%	4.7%	5.4%
5:20 AM	Japan	Imports (YoY) (Jan)	8.5%	4.7%	-2.6%
5:20 AM	Japan	Trade Balance (Jan)	-1,087B	-637B	641B
5:31 AM	U.K.	Rightmove House Price Index (MoM)	2.0%		0.4%
12:30 PM	Eurozone	German PPI (YoY) (Jan)		2.0%	1.0%
12:30 PM	Eurozone	German PPI (MoM) (Jan)		0.3%	0.4%
4:30 PM	U.K.	CBI Industrial Trends Orders (Feb)		3	5
8:30 PM	Eurozone	Consumer Confidence (Feb)		-4.9	-4.9

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