



COMMODITY REPORT

20 April 2017

ECONOMIC/GLOBAL NEWS

- Oil prices suffered their largest one-day loss in six weeks as a steep drop ahead Wednesday's settlement pushed prices to their lowest finish in 2½ weeks. June West Texas Intermediate crude lost \$2, or 3.78%, to settle at \$50.85 a barrel on the New York Mercantile Exchange. The U.S. Energy Information Administration reported that crude supplies fell by a more-than-expected 1 million barrels for the week ended April 14. Gasoline stockpiles, however, edged up by 1.5 million barrels, defying expectations for a decline of 2 million. Distillate stockpiles fell a bit more than expected-down 2 million barrels last week. MCX Crude Oil May expiry closed at Rs. 3338 per barrel, down 2.94%.
- The Federal Reserve's Beige Book observed all twelve Fed districts were equally split between modest and moderate economic growth in the past few months. On the labor market, "a larger number of firms mentioned high turnover rates and more difficulty retaining workers." Modest wage pressures broadened during the most recent survey period.
- Eurozone seasonally adjusted trade surplus climbed to EUR 19.2 billion in February from EUR 15.7 billion in the previous month. Exports grew 0.4% month-over-month in February, while imports dropped by 1.7%. On a non-seasonally adjusted basis, euro area trade surplus shrank to EUR 17.8 billion in February from EUR 18.2 billion a year ago.
- Eurozone consumer price index rose 1.5% year-on-year after 2% increase in February, which was the highest since January 2013. Core inflation fell to 0.7% from 0.9%. On a monthly basis, headline inflation was 0.8% in March, while core inflation was 1.2% higher.
- Italy's trade surplus shrank to EUR 1.9 billion in February from EUR 3.9 billion in the corresponding month last year. In January, the trade balance showed a deficit of EUR 0.6 billion. Exports rose 2.3% year-over-year in February and imports surged by 9.1%. On a monthly basis, exports dropped 2.0% in February, while imports climbed by 1.3%.
- Australia's NAB business conditions improved 2 points, to +8 in the first quarter.
- Japan posted a merchandise trade surplus of 614.722 billion yen in March - down 17.5% on year, following the upwardly revised 813.5 billion yen surplus in February (originally 813.389 billion yen). Exports climbed 12.0% on year to 7.229 trillion yen, following the 11.3% jump in the previous month. Imports added an annual 15.8% to 6.614 trillion yen after adding just 1.2% a month earlier. The adjusted trade surplus was 172.2 billion yen, beating forecasts for 172.0 billion yen and down from the downwardly revised 609.0 billion yen surplus in February (originally 680.3 billion yen).
- New Zealand's consumer prices jumped 2.2% on year in the first quarter of 2017, following the 1.3% increase in the previous three months. On a seasonally adjusted quarterly basis, consumer prices were up 1.0% - up from 0.4% in the three months prior.

Index	19-Apr-17	18-Apr-17	Pts. Ch.	% Change
Dow	20404.49	20523.28	-118.79	-0.58
Nifty	9103.50	9105.15	-1.65	-0.02
Sensex	29336.57	29319.10	17.47	0.06
USD/INR	64.58	64.63	-0.05	-0.08
Dollar Index	99.64	99.40	0.24	0.24
Euro/\$1US	1.0711	1.0734	-0.0023	-0.21
\$1US/Yen	108.86	108.42	0.44	0.41
Pound/\$1US	1.2779	1.2841	-0.0062	-0.48

Market Update

- The Dow industrials and the S&P 500 ended lower as a drop in oil prices fueled a selloff in energy shares while a drop in International Business Machines Corp. was responsible for half the session's losses in the blue-chip average. The S&P 500 finished down 4.02 points, or 0.2%, at 2,338.17. The Nasdaq Composite rose 13.56 points, or 0.2%, to finish at 5,863.03.
- Indian equity benchmark indices settled near the flat line in a quiet session of trade. Indices gyrated in a small range during the day's trading session in a listless session of trade amid divergent trend in various index constituents.

Currency Update

- The dollar advanced, but briefly surrendered some of its gains in afternoon trading after a report from the Federal Reserve suggested the outlook for the U.S. economy isn't as rosy as it was earlier in the year. The ICE U.S. Dollar Index climbed 0.3% to 99.78, while the WSJ Dollar index rose 0.3% to 89.80. The euro weakened to \$1.0716, while the dollar climbed to ¥108.85, compared with ¥108.42. Sterling bought \$1.2779, down from \$1.2841.
- The rupee staged a mild recovery after two sessions of losses and edged up 5 paise to end at 64.58 a dollar. The rupee opened a tad higher at 64.60 from overnight closing of 64.63 at the Interbank Foreign Exchange (Forex) Market here and largely traded in a small range with positive bias. It touched a fresh intra-day high of 64.52 in late afternoon deals before ending at 64.58, revealing a gain of 5 paise, or 0.08%. The RBI, meanwhile, fixed the reference rate for the dollar at 64.5443.

Name of the ETF	Holdings In Tonnes As		%Ch
	19-Apr-17	18-Apr-17	
SPDR Gold ETF	848.92	848.92	0.00
iShares Silver Trust	10149.32	10178.76	-0.29

Symbol	19-Apr-17		Ratio
	Close	Close	
Gold v/s Silver	1283	18.162	70.66
Gold v/s Crude Oil	1283	52.85	50.85

Bullion	Closing		% Ch
	19-Apr-17	18-Apr-17	
Gold Jun MCX	29305	29514	-0.71
Gold Jun Comex	1283	1294	-0.83
Silver May MCX	41898	42187	-0.69
Silver May Comex	18.162	18.272	-0.60
Energy			
Crude Oil May MCX	3338	3439	-2.94
Crude Jun Nymex	50.85	52.85	-3.78
Natural Gas May MCX	213.80	209.00	2.30
Nat. Gas May Henry Hub	3.185	3.145	1.27

LME Inventories (In Tonnes)

Base Metals	19-Apr-17	18-Apr-17	Change	% Change
Aluminum	1713250	1745750	-32500	-1.86
Copper	267475	255425	12050	4.72
Nickel	374952	369354	5598	1.52
Lead	168175	168825	-650	-0.39
Zinc	357525	359150	-1625	-0.45

Base Metals	Closing		% Ch
	19-Apr-17	18-Apr-17	
Aluminium Apr	123.15	122.00	0.94
Copper Apr	361.25	361.20	0.01
Nickel Apr	607.60	604.90	0.45
Lead Apr	139.80	137.00	2.04
Zinc Apr	165.40	162.50	1.78

ECONOMIC CALENDER

Thursday Apr 20, 2017					
Time	Country	Event	Actual	Forecast	Previous
5:20 AM	Japan	Adjusted Trade Balance	0.17T	0.61T	0.68T
5:20 AM	Japan	Exports (YoY) (Mar)	12.0%	6.7%	11.3%
5:20 AM	Japan	Imports (YoY) (Mar)	15.8%	10.4%	1.2%
5:20 AM	Japan	Trade Balance (Mar)	615B	576B	813B
11:30 AM	Germany	German PPI (MoM) (Mar)		0.1%	0.2%
11:30 AM	Germany	German PPI (YoY) (Mar)		3.1%	3.1%
6:00 PM	U.S.	Continuing Jobless Claims		2,020K	2,028K
6:00 PM	U.S.	Initial Jobless Claims		242K	234K
7:30 PM	U.S.	CB Leading Index (MoM) (Mar)		0.2%	0.6%
7:30 PM	Eurozone	Consumer Confidence (Mar)		-4.8	-5.0
8:00 PM	U.S.	Natural Gas Storage		48B	10B

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