



# COMMODITY REPORT

21 February 2017

## ECONOMIC/GLOBAL NEWS

- Natural gas prices touched 3 year low. The prices are set to increase from April; domestic production of gas is on the wane. MCX Natural Gas March expiry closed at Rs. 193.60 per British thermal unit, down 2.91%.
- U.K. order book balance rose to 8% in three months to February, the highest since February 2015.
- Eurozone consumer confidence fell to -6.2 in February from an upwardly revised -4.8 in January.
- Germany's producer prices climbed 2.4% year-on-year in January, following a 1% increase in December. Month-on-month, producer prices gained 0.7% versus 0.4% in December.
- Spain's trade deficit rose to EUR 2.45 billion in December from EUR 1.6 billion in the corresponding month last year. During the year 2016, total trade deficit of the country came in at EUR 18.75 billion, which was 22.4% lower than in 2015 and the second highest trade balance since 1997. Spanish exports advanced 1.7% to EUR 254.5 billion in 2016, marking its historical record. At the same time, imports dropped 0.4%.
- Hong Kong's seasonally adjusted unemployment rate was 3.3% in the three months to January, unchanged from the December quarter. In the three months to November, the rate had eased to this level from 3.4%. On an unadjusted basis, the number of unemployed persons decreased by around 2,800 to 119,200 in November - January.
- Australia's resource exports are expected to make a significant contribution to output growth, offsetting the drag on growth from the falling mining investment, policymakers of the Reserve Bank of Australia said at the board meeting held on February 7.
- Japan's Nikkei Flash Manufacturing PMI, rose to 53.5 in February from 52.7 in January.
- Brazil's business confidence dropped to 87.2 in February from 89.0 in January. In December, the reading was 84.7. The current situation index dropped to 85.7 in February from 87.0 in the prior month. Similarly, the outlook index slid by 2.2 points to 88.8.

Index	20-Feb-17	17-Feb-17	Pts. Ch.	% Change
<b>Dow</b>	CLOSED	20624.05	-	-
<b>Nifty</b>	8879.20	8821.70	<b>57.50</b>	<b>0.65</b>
<b>Sensex</b>	28661.58	28468.75	<b>192.83</b>	<b>0.68</b>
<b>USD/INR</b>	66.93	67.03	<b>-0.11</b>	<b>-0.16</b>
<b>Dollar Index</b>	CLOSED	100.95	-	-
<b>Euro/\$1US</b>	1.0614	1.0614	<b>0.0000</b>	<b>0.00</b>
<b>\$1US/Yen</b>	113.10	112.88	<b>0.22</b>	<b>0.19</b>
<b>Pound/\$1US</b>	1.2461	1.2414	<b>0.0047</b>	<b>0.38</b>

## Market Update

- U.S. market closed on 20.02.2017 on account of "Presidents' Day".
- Indian market logged modest gains on first trading day of the week on upbeat global stocks.

## Currency Update

- The U.S. dollar stuck to mostly tight ranges in holiday-thinned trading, but moved lower against the British pound as investors focused on a Brexit debate in the country's House of Lords. The ICE U.S. Dollar Index rose 0.1% to 100.85. The WSJ Dollar Index was up 0.02% at 90.99. The pound rose to \$1.2466 from \$1.2421. The euro was at \$1.0609, compared with \$1.0605. The greenback was changing hands at 113.16 yen, compared with ¥113.
- The rupee strengthened for the second straight session, gaining by another 11 paise to close at 66.93 per dollar in view of strong foreign capital inflows coupled with firm equity market. The rupee resumed lower at 67.06 per dollar as against the last Friday's closing level of 67.03 at the Interbank Foreign Exchange market on initial demand for the American currency from banks and importers but recovered afterwards to 66.90 before ending at 66.93, showing a gain of 11 paise, or 0.16%. The domestic currency gained by 15 paise, 0.21 per cent, in two days. The domestic unit hovered in the range of 67.07-66.90 per dollar during the day.

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

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

Bullion	Closing		% Ch
	20-Feb-17	17-Feb-17	
<b>Gold Apr MCX</b>	29303	29360	<b>-0.19</b>
<b>Gold Apr Comex</b>	CLOSED	1239	-
<b>Silver May MCX</b>	43448	43476	<b>-0.06</b>
<b>Silver Mar Comex</b>	CLOSED	18.030	-
<b>Energy</b>			
<b>Crude Oil Mar MCX</b>	3623	3604	<b>0.53</b>
<b>Crude Apr Nymex</b>	CLOSED	53.78	-
<b>Natural Gas Mar MCX</b>	193.60	199.40	<b>-2.91</b>
<b>Nat. Gas Mar Henry Hub</b>	CLOSED	2.834	-

## LME Inventories (In Tonnes)

Base Metals	20-Feb-17	17-Feb-17	Change	% Change
<b>Aluminum</b>	2195100	2202350	<b>-7250</b>	<b>-0.33</b>
<b>Copper</b>	224025	229075	<b>-5050</b>	<b>-2.20</b>
<b>Nickel</b>	383784	379494	<b>4290</b>	<b>1.13</b>
<b>Lead</b>	189750	189750	<b>0</b>	<b>0.00</b>
<b>Zinc</b>	388800	390850	<b>-2050</b>	<b>-0.52</b>

Base Metals	Closing		% Ch
	20 - Feb-17	17-Feb-17	
<b>Aluminium Feb</b>	126.70	125.65	<b>0.84</b>
<b>Copper Feb</b>	405.05	400.20	<b>1.21</b>
<b>Nickel Feb</b>	744.30	739.70	<b>0.62</b>
<b>Lead Feb</b>	154.80	151.15	<b>2.41</b>
<b>Zinc Feb</b>	193.05	188.05	<b>2.66</b>

## ECONOMIC CALENDER

Tuesday Feb 21, 2017

Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Australia	<b>RBA Meeting Minutes</b>			
6:00 AM	Japan	<b>Manufacturing PMI (Feb)</b>	<b>53.5</b>	52.1	52.7
1:15 PM	France	<b>French CPI (MoM) (Jan)</b>		-0.2%	-0.2%
1:30 PM	France	<b>French Manufacturing PMI (Feb)</b>		53.5	53.6
1:30 PM	France	<b>French Markit Composite PMI (Feb)</b>		53.7	54.0
1:30 PM	France	<b>French Services PMI (Feb)</b>		53.8	54.1
2:00 PM	Germany	<b>German Composite PMI (Feb)</b>		54.7	54.8
2:00 PM	Germany	<b>German Manufacturing PMI (Feb)</b>		56.0	56.4
2:00 PM	Germany	<b>German Services PMI (Feb)</b>		53.6	53.4
2:30 PM	Eurozone	<b>Manufacturing PMI (Feb)</b>		55.0	55.2
2:30 PM	Eurozone	<b>Markit Composite PMI (Feb)</b>		54.3	54.4
2:30 PM	Eurozone	<b>Services PMI (Feb)</b>		53.7	53.7
8:15 PM	U.S.	<b>Manufacturing PMI (Feb)</b>		55.2	55.0

## DISCLAIMER

This document has been prepared by ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy and sell any Commodity or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the Commodities to in this document and should consult its own advisors to determine the merits and risks of such an investment.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it.

All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses to access the Service from outside India, he shall be responsible for compliance with foreign and local laws