



COMMODITY REPORT

21 August 2017

ECONOMIC/GLOBAL NEWS

- Oil prices shifted higher, jumping about 3% in a surprise rally for the session on the back of unconfirmed reports of a unit shutdown at one of the largest oil refineries in the U.S., as well as data showing a weekly fall in the number of active domestic oil rigs. West Texas Intermediate crude for September delivery jumped \$1.42, or 3%, to settle at \$48.51 a barrel after trading as low as \$46.78. MCX Crude Oil September expiry closed at Rs. 3125 per barrel, up 2.69%.
- U.S. preliminary reading on the consumer sentiment index for August jumped to 97.6 from the final July reading of 93.4.
- U.K. average asking price for a house was down 0.9% on month in August - slipping 2,758 pounds. That follows the 0.1% increase in July. On a yearly basis, house prices climbed 3.1%, up from 2/8% in the previous month.
- Eurozone current account surplus fell to EUR 21.2 billion in June from EUR 30.5 billion in May.
- German producer prices advanced 2.3% year-on-year in July, slightly weaker than the 2.4% increase seen in June. Month-on-month, producer prices gained 0.2% after staying flat in June.
- Italy's current account surplus climbed to EUR 5.26 billion in June from EUR 4.04 billion in the corresponding month last year.

Index	18-Aug-17	17-Aug-17	Pts. Ch.	% Change
Dow	21674.51	21750.73	-76.22	-0.35
Nifty	9837.40	9904.15	-66.75	-0.67
Sensex	31524.68	31795.46	-270.78	-0.85
USD/INR	64.14	64.15	-0.01	-0.02
Dollar Index	93.36	93.53	-0.17	-0.18
Euro/\$1US	1.1762	1.1724	0.0038	0.32
\$1US/Yen	109.19	109.57	-0.38	-0.35
Pound/\$1US	1.2876	1.2869	0.0007	0.05

Market Update

- U.S. stock benchmarks closed firmly lower to register another unsightly week of losses as low volumes and skittish investors left Wall Street especially vulnerable to pullbacks. The S&P 500 index declined 4.46 points, or 0.2%, to close at 2,425.55. The tech-laden Nasdaq Composite Index closed down 5.39 points, or 0.1%, at 6,216.53, down 0.6%.
- Trading for the week ended on a sour note as Indian market dropped mirroring decline in global stock markets on rising doubts about US President Donald Trump's ability to deliver his economic agenda. Bulk of today's steep market slide was triggered by a sharp slump in index heavyweight and IT major Infosys after Vishal Sikka resigned as managing director and chief executive officer of the company. Key indices snapped three-day winning streak today, 18 August 2017.

Currency Update

- The U.S. dollar pared losses after it was revealed White House chief strategist Steve Bannon would be leaving the administration. The ICE Dollar Index hit an intraday high of 93.608 before retreating to 93.4060. The broader WSJ dollar index was 0.3% lower at 86.11. The buck fell against the Japanese yen, hitting 109.16. The pound ended the day slightly stronger at \$1.2876.
- The rupee largely shrugged off the high volatility in stocks and ended at 64.14 against the US dollar even as investors reacted to US political turmoil and terror attack in Spain. At the Interbank Foreign Exchange market, the home currency resumed lower at 64.18 as against Wednesday's close of 64.15 due to mild dollar pressure. Later, it made a smart recovery to hit an intra-day high of 64.08 in mid-morning deals and confined within a tight range most part of the day before giving back all early gains towards the fag-end trade to settle at 64.14, up 1 paise or 0.02%. The RBI fixed the reference rate for the dollar at 64.1048.

Name of the ETF	Holdings In Tonnes As		%Ch
	18-Aug-17	17-Aug-17	
SPDR Gold ETF	799.29	795.44	0.48
iShares Silver Trust	10401.24	10401.24	0.00

Symbol	18-Aug-17		Ratio
	Close	Close	
Gold v/s Silver	1292	17.000	75.98
Gold v/s Crude Oil	1292	48.51	26.63

Bullion	Closing		% Ch
	18-Aug-17	17-Aug-17	
Gold Oct MCX	29163	29151	0.04
Gold Dec Comex	1292	1292	-0.06
Silver Sep MCX	39063	39098	-0.09
Silver Sep Comex	17.000	17.053	-0.31
Energy			
Crude Oil Sep MCX	3125	3043	2.69
Crude Sep Nymex	48.51	47.09	3.02
Natural Gas Aug MCX	186.00	188.20	-1.17
Nat. Gas Sep Henry Hub	2.893	2.929	-1.23

LME Inventories (In Tonnes)

Base Metals	18-Aug-17	17-Aug-17	Change	% Change
Aluminum	1287075	1283525	3550	0.28
Copper	271350	275800	-4450	-1.61
Nickel	384864	385194	-330	-0.09
Lead	148050	148825	-775	-0.52
Zinc	248025	248700	-675	-0.27

Base Metals	Closing		% Ch
	18-Aug-17	17-Aug-17	
Aluminium Aug	131.05	131.85	-0.61
Copper Aug	415.35	415.65	-0.07
Nickel Aug	704.00	683.00	3.07
Lead Aug	150.40	153.20	-1.83
Zinc Aug	200.80	195.60	2.66

ECONOMIC CALENDER

Monday August 21 2017

Time	Country	Event	Actual	Forecast	Previous
4:31 AM	U.K.	Rightmove House Price Index (MoM)	-0.9%		0.1%
6:00 PM	U.S.	Chicago Fed National Activity (Jul)			0.13

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