



COMMODITY REPORT

23 October 2017

ECONOMIC/GLOBAL NEWS

- Gold settled at a two-week low, suffering the biggest weekly loss in a month as the dollar strengthened following the Republican-controlled Senate's passage of a budget blueprint. Gold for December delivery lost \$9.50, or 0.74%, to settle at \$1,280.50 an ounce. MCX Gold December expiry closed at Rs. 29554 per 10 gram, down 0.42%.
- China's gross domestic product expanded 1.7% on quarter in the third quarter of 2017, down from 1.8% in the second quarter. On a yearly basis, GDP advanced 6.9% - unchanged from the previous three months. The industrial production jumped an annual 6.6% in September - up from 6.0% in August. Retail sales were up 10.3% on year, up from 10.1% in the previous month. Fixed asset investment was up an annual 7.5%, down from 7.8% a month earlier.
- China's National Bureau of Statistics (NBS), new home prices grew by 0.2% in September, seeing the increase on a year earlier slow to 6.3%, the weakest increase since April 2016.
- U.S. initial jobless claims dropped to 222,000 in the week ended October 14th, a decrease of 22,000 from the previous week's revised level of 244,000. Continuing claims declined by 16,000 to 1.888 million in the week ended October 7th.
- U.S. existing home sales climbed by 0.7% to an annual rate of 5.39 million in September from a rate of 5.35 million in August.
- U.S. housing starts plunged by 4.7% to an annual rate of 1.127 million in September from the revised August estimate of 1.183 million. Building permits, an indicator of future housing demand, also tumbled by 4.5% to an annual rate of 1.215 million in September from a revised 1.272 million in August.
- U.S. Conference Board said its leading economic index dipped by 0.2% in September after climbing by 0.4% in August.
- U.S. federal budget deficit for the just-completed fiscal year had risen by \$80 billion over fiscal 2016 to the ominous-sounding \$666 billion.
- The U.S. Energy Information Administration showed that domestic crude supplies fell by 5.7 million barrels for the week ended Oct. 13. Gasoline stockpiles were up 900,000 barrels for the week, while distillate stockpiles rose by 500,000 barrels, according to the EIA.
- The EIA reported that domestic supplies of natural-gas climbed by 51 billion cubic feet for the week ended Oct. 13.
- U.K. ILO jobless rate came in at 4.3% in three months to August, the lowest since 1975. The claimant count rate held steady at 2.3% in September. The number of people claiming unemployment benefits increased by 1,700 from August.
- U.K. retail sales dropped 0.8% month-on-month in September, reversing a 0.9% rise in August. Core retail sales slid 0.7%, in contrast to August's 0.9% increase. On a year-on-year basis, growth in retail sales slowed to 1.2% in September from 2.3% in August. Core retail sales climbed 1.6%, which was slower than the 2.6% increase seen in August.
- Eurozone current account surplus rose to EUR 33.3 billion in August from EUR 31.5 billion in July. On an unadjusted basis, the current account surplus fell to EUR 29.6 billion from EUR 37.1 billion in July.
- Germany's producer price inflation rose more-than-expected to 3.1% in September from 2.6% in August. Month-on-month, producer price inflation rose slightly to 0.3% from 0.2% in August.
- Australia unemployment rate in Australia was a seasonally adjusted 5.5% in September, unchanged from the August reading. The Australian economy added 19,800 jobs to 12,290,200 in September, following the addition of 54,200 jobs in the previous month.
- Japan had a merchandise trade surplus of 670.2 billion yen in September, following the downwardly revised 112.6 billion yen surplus in August (originally 113.6 billion yen). Exports climbed 14.1% on year, down from 18.1% in the previous month. Imports picked up an annual 12.0%, down from 15.2 a month earlier.

Index	20-Oct-17	19-Oct-17	Pts. Ch.	% Change
Dow	23328.63	23163.04	165.59	0.71
Nifty	CLOSED	10146.55	-	-
Sensex	CLOSED	32389.96	-	-
USD/INR	CLOSED	CLOSED	-	-
Dollar Index	93.58	93.12	0.46	0.49
Euro/\$1US	1.1785	1.1852	-0.0067	-0.57
\$1US/Yen	113.52	112.55	0.97	0.86
Pound/\$1US	1.3190	1.3159	0.0031	0.24

Market Update

- U.S. stocks extended gains, with major indexes closing at records, after the Senate passed a budget blueprint for the next fiscal year, paving the way for the tax cuts some investors believe is vital to keeping the bull market alive. The S&P 500 gained 13.11 points, or 0.5%, to 2,575.21. The Nasdaq Composite rose 23.99 points, or 0.4%, to 6,629.05.
- Indian market closed on **20th October, 2017** on account of "Diwali-Balipratipada".

Currency Update

- The U.S. dollar shot to the highest level in roughly three months against the yen and strengthened against other rivals. The move came after the U.S. Senate passed a budget blueprint, which could clear the way for tax cuts seen as positive for the greenback, and extended after September home-sales data. The ICE U.S. Dollar Index was 0.4% higher at 93.679. The WSJ Dollar Index rose 0.6% to 86.98. The British pound recovered to \$1.3194 after slipping into negative territory earlier in the session, compared with \$1.3159. The euro dropped to \$1.1779, compared with \$1.1853. Against the yen, the dollar fetched ¥113.53, versus ¥112.54.
- Indian currency market closed on **20th October, 2017** on account of "Diwali-Balipratipada".

Name of the ETF	Holdings In Tonnes As		%Ch
	20-Oct-17	19-Oct-17	
SPDR Gold ETF	853.13	853.13	0.00
iShares Silver Trust	9994.39	9994.39	0.00

Symbol	20-Oct-17		Ratio
	Close	Close	
Gold v/s Silver	1281	17.078	74.98
Gold v/s Crude Oil	1281	51.84	24.70

Bullion	Closing		% Ch
	20-Oct-17	19-Oct-17	
Gold Dec MCX	29554	29679	-0.42
Gold Dec Comex	1281	1290	-0.74
Silver Dec MCX	39877	39846	0.08
Silver Dec Comex	17.078	17.255	-1.03
Energy			
Crude Oil Nov MCX	3372	3359	0.39
Crude Dec Nymex	51.84	51.51	0.64
Natural Gas Nov MCX	203.80	200.80	1.49
Nat. Gas Nov Henry Hub	2.915	2.873	1.46

LME Inventories (In Tonnes)

Base Metals	20-Oct-17	19-Oct-17	Change	% Change
Aluminum	1202225	1207800	-5575	-0.46
Copper	287625	291250	-3625	-1.24
Nickel	387942	386418	1524	0.39
Lead	150075	151850	-1775	-1.17
Zinc	268950	269725	-775	-0.29

Base Metals	Closing		% Ch
	20-Oct-17	19-Oct-17	
Aluminium Oct	138.10	138.15	-0.04
Copper Nov	455.50	453.50	0.44
Nickel Oct	761.10	756.40	0.62
Lead Oct	160.20	160.80	-0.37
Zinc Oct	204.75	204.30	0.22

ECONOMIC CALENDER

Monday October 23 2017

Time	Country	Event	Actual	Forecast	Previous
7:00 AM	China	House Prices (YoY) (Sep)	6.3%		8.3%
3:30 PM	U.K.	CBI Industrial Trends Orders (Oct)		9	7
7:30 PM	Eurozone	Consumer Confidence (Oct)		-1.1	-1.2

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