



COMMODITY REPORT

24 January 2018

ECONOMIC/GLOBAL NEWS

- Natural gas futures continued higher for the second day in a row, reaching their strongest level in around eight months as forecasts for frigid temperatures across the U.S. east coast during early February boosted demand expectations. Meanwhile, natural-gas futures rallied, with the February contract jumping 6.82% to \$3.444 per million British thermal units. MCX Natural Gas February expiry closed at Rs. 194.70 per British thermal unit, up 3.12%.
- The American Petroleum Institute reported that U.S. crude supplies rose by 4.8 million barrels for the week ended Jan. 19. The API data also showed a climb of 4.1 million barrels in gasoline stockpiles, while inventories of distillates fell by 1.3 million barrels.
- Eurozone ZEW current economic situation strengthened in January, leaving the index at a level of 56.4 points, 5.7 points higher than in December.
- Eurozone consumer confidence indicator rose by 0.8 points from December to 1.3 in January.
- Germany's ZEW Indicator of Economic Sentiment rose 3 points to 20.4 in January. The assessment of the current economic situation also improved in January, with corresponding index climbing 5.9 points to 95.2 points.
- Japan posted a merchandise trade surplus of 358.971 billion yen in December - down 43.5% on year, following the 113.4 billion yen surplus in November. Exports climbed 9.3% on year to 7.302 trillion yen, down from 16.2% in the previous month. Imports advanced an annual 14.9% to 6.943 trillion yen, down from 17.2% a month earlier.
- Japan's manufacturing sector continued to expand in January, with a manufacturing PMI score of 54.4. That's up from 54.0 in December.

Index	23-Jan-18	22-Jan-18	Pts. Ch.	% Change
Dow	26210.81	26214.60	-3.79	-0.01
Nifty	11083.70	10966.20	117.50	1.07
Sensex	36139.98	35798.01	341.97	0.96
USD/INR	63.77	63.87	-0.10	-0.16
Dollar Index	89.88	90.19	-0.31	-0.34
Euro/\$1US	1.2309	1.2262	0.0047	0.38
\$1US/Yen	110.12	110.92	-0.80	-0.72
Pound/\$1US	1.4013	1.3987	0.0026	0.19

Market Update

- The S&P 500 and the Nasdaq ended at fresh records as a spate of upbeat earnings bolstered sentiment even as the Dow edged lower. With Tuesday's closing bell, the S&P 500 has set a new milestone for most record finishes in January at 12. The S&P 500 index climbed 6.16 points, or 0.2%, to 2,839.13 and the Nasdaq Composite Index climbed 52.26 points, or 0.7%, to 7,460.29.
- Indian market touched new record highs on strong overseas lead. The Sensex surpassed the 36,000 mark for the first time in its history while the Nifty crossed 11,000 level.

Currency Update

- The U.S. dollar weakened against rivals, paring earlier gains that came on the coattails of the end to the U.S. government shutdown. The ICE U.S. Dollar Index slipped 0.3% to 90.141. The broader WSJ U.S. Dollar Index was down 0.2% to 84.10. The yen advanced, with the dollar buying ¥110.36, down 0.5% from ¥110.92. The pound was little changed from Monday at \$1.3994, still in very close distance to the psychological \$1.40 level. The euro was meanwhile little changed at \$1.2291, compared with \$1.2262.
- The rupee bounced back by 10 paise to end at a fresh one-week high of 63.77 against the US dollar on fresh unwinding of the American currency by exporters and banks amid a continued record-setting spree in domestic equities. The home currency resumed slightly weak at 63.88 as compared to 63.87 previously at the Interbank Foreign Exchange (forex) market. Succumbing to modest dollar pressure, it lost further ground to touch a low of 63.91 in mid-morning deals before staging a smart recovery. After hitting day's high of 63.75 towards the tail-end session, the local unit finally settled at 63.77, showing a gain of 10 paise, or 0.16%. The RBI fixed the reference rate for the dollar at 63.7722.

Name of the ETF	Holdings In Tonnes As		%Ch
	23-Jan-18	22-Jan-18	
SPDR Gold ETF	849.32	846.67	0.31
iShares Silver Trust	9736.88	9772.08	-0.36

Symbol	23-Jan-18		Ratio
	Close	Close	
Gold v/s Silver	1337	16.913	79.03
Gold v/s Crude Oil	1337	64.47	20.73

Bullion	Closing		% Ch
	23-Jan-18	22-Jan-18	
Gold Apr MCX	29874	29817	0.19
Gold Feb Comex	1337	1332	0.36
Silver Mar MCX	38733	38979	-0.63
Silver Mar Comex	16.913	16.989	-0.45
Energy			
Crude Oil Feb MCX	4110	4045	1.61
Crude Mar Nymex	64.47	63.57	1.42
Natural Gas Feb MCX	194.70	188.80	3.12
Nat. Gas Feb Henry Hub	3.444	3.224	6.82

LME Inventories (In Tonnes)

Base Metals	23-Jan-18	22-Jan-18	Change	% Change
Aluminum	1086200	1088425	-2225	-0.20
Copper	248075	211775	36300	17.14
Nickel	362868	363168	-300	-0.08
Lead	138600	138800	-200	-0.14
Zinc	179550	179950	-400	-0.22

Base Metals	Closing		% Ch
	23-Jan-18	22-Jan-18	
Aluminium Jan	141.85	143.55	-1.18
Copper Feb	439.95	452.60	-2.79
Nickel Jan	816.30	811.10	0.64
Lead Jan	166.35	167.25	-0.54
Zinc Jan	218.90	219.90	-0.45

ECONOMIC CALENDER

Wednesday January 24 2018					
Time	Country	Event	Actual	Forecast	Previous
3:05 AM	U.S.	API Weekly Crude Oil Stock	4.755M	-1.600M	-5.121M
5:20 AM	Japan	Adjusted Trade Balance	0.09T	0.27T	0.36T
5:20 AM	Japan	Exports (YoY) (Dec)	9.3%	10.1%	16.2%
5:20 AM	Japan	Imports (YoY) (Dec)	14.9%	12.3%	17.2%
5:20 AM	Japan	Trade Balance (Dec)	359B	530B	112B
6:00 AM	Japan	Manufacturing PMI (Jan)	54.4	53.8	54.0
1:15 PM	France	French Business Survey (Jan)			112
1:30 PM	France	French Manufacturing PMI (Jan)		58.7	58.8
1:30 PM	France	French Markit Composite PMI (Jan)		59.4	59.6
1:30 PM	France	French Services PMI (Jan)		58.9	59.1
2:00 PM	Germany	German Composite PMI (Jan)		58.6	58.9
2:00 PM	Germany	German Manufacturing PMI (Jan)		63.2	63.3
2:00 PM	Germany	German Services PMI (Jan)		55.6	55.8
2:30 PM	Eurozone	Manufacturing PMI (Jan)		60.4	60.6
2:30 PM	Eurozone	Markit Composite PMI (Jan)		57.9	58.1
2:30 PM	Eurozone	Services PMI (Jan)		56.5	56.6
3:00 PM	U.K.	Claimant Count Change (Dec)		5.4K	5.9K
3:00 PM	U.K.	Unemployment Rate (Nov)		4.3%	4.3%
7:30 PM	U.S.	House Price Index (YoY) (Nov)			6.6%
7:30 PM	U.S.	House Price Index (MoM) (Nov)		0.4%	0.5%
8:15 PM	U.S.	Manufacturing PMI (Jan)		55.2	55.1
8:15 PM	U.S.	Markit Composite PMI			54.1
8:15 PM	U.S.	Services PMI (Jan)		54.5	53.7
8:30 PM	U.S.	Existing Home Sales (Dec)		5.72M	5.81M
8:30 PM	U.S.	Existing Home Sales (MoM) (Dec)		-2.2%	5.6%
9:00 PM	U.S.	Crude Oil Inventories		-1.600M	-6.861M
9:00 PM	U.S.	EIA Weekly Distillates Stocks		-1.471M	-3.887M
9:00 PM	U.S.	Gasoline Inventories		2.486M	3.620M

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