



# COMMODITY REPORT

24 October 2017

## ECONOMIC/GLOBAL NEWS

- U.S. natural gas futures started the week on an upbeat note, as traders reacted to forecasts showing a return to colder weather after a warm spell in the eastern U.S. November natural gas rose 7.6 cents, or 2.6%, to end at \$2.991 per million British thermal units. MCX Natural Gas November expiry closed at Rs. 206.10 per British thermal unit, up 1.13%.
- U.K. order book balance fell to -2% in October, the lowest since November, from +7% in September.
- Eurozone flash consumer confidence index rose to -1 for a third straight month in October from -1.2 in September, marking the highest score since April 2001, when it was -0.9.
- Switzerland's broad monetary aggregate, M3, grew 4.4% year-on-year in September, faster than the 4.1% increase seen in August. This was the biggest expansion since March 2014, when M3 climbed 4.6%. At the same time, M1 growth improved to 7% in September from 6.6% in the previous month.
- Australia's consumer confidence index rose to 113.3 during the week ended October 22 from 112.4 in the preceding week.
- Japan Nikkei manufacturing sector in Japan continued to expand in October, with a manufacturing PMI score of 52.5. That's down from 52.9 in September.
- South Korea's producer price inflation climbed 3.6% year-over-year in September, faster than the 3.3% increase in August. On a monthly basis, producer prices increased at a steady rate of 0.5% in September.
- Hong Kong's consumer price inflation climbed 1.4% year-over-year in September, slower than the 1.9% increase in August.
- Taiwan's seasonally adjusted jobless rate fell to 3.71% in September from 3.76% in August. The number of unemployed people declined to 437,000 in September from 443,000 in the preceding month. A year ago, the jobless figure totaled 459,000.
- Taiwan's industrial production grew 5.24% annually in seven months in September, bigger than the 3.29% rise posted in August and the fastest since February, when it grew 10.71%.
- Singapore's consumer prices advanced 0.4% year-on-year in September, the same rate as seen in August. On a monthly basis, consumer prices remained flat after rising 0.3%.

Index	23-Oct-17	20-Oct-17	Pts. Ch.	% Change
<b>Dow</b>	23273.96	23328.63	<b>-54.67</b>	<b>-0.23</b>
<b>Nifty</b>	10184.85	CLOSED	-	-
<b>Sensex</b>	32506.72	CLOSED	-	-
<b>USD/INR</b>	65.02	CLOSED	-	-
<b>Dollar Index</b>	93.72	93.58	<b>0.14</b>	<b>0.15</b>
<b>Euro/\$1US</b>	1.1755	1.1785	<b>-0.0030</b>	<b>-0.25</b>
<b>\$1US/Yen</b>	113.34	113.52	<b>-0.18</b>	<b>-0.16</b>
<b>Pound/\$1US</b>	1.3203	1.3190	<b>0.0013</b>	<b>0.10</b>

## Market Update

- The S&P 500 and the Dow snapped a six-day winning streak on Monday as investors weighed prospects for tax cuts while parsing the latest corporate earnings for clues on where stocks are headed in the near term. The S&P 500 index dropped 10.23 points, or 0.4%, to close at 2,564.98. The Nasdaq Composite Index fell 42.23 points, or 0.6%, to 6,586.83.
- Indian market settled with modest after a volatile trading session. Firmness in global stocks supported domestic bourses. The Sensex snapped three-day losing streak.

## Currency Update

- The U.S. dollar retained its strength against major rivals, even after its rally against the Japanese yen on the back of the re-election of Prime Minister Shinzo Abe over the weekend subsided. The ICE U.S. Dollar Index rose 0.1% to 93.829, extending last week's gain of 0.6%. The WSJ Dollar Index rose 0.1% to 87.08. Last week, it bulked up by 0.8%. Against the yen, the dollar lost steam and slipped to ¥113.37, off an intraday high of ¥114.09, and lower compared with ¥113.52. The euro remained lower against the dollar in late U.S. trade, changing hands at \$1.1753, versus \$1.1783. The British pound regained some strength at \$1.3200, compared with \$1.3188.
- Snapping its two-session losing trend, the rupee today ended marginally higher by 2 paise at 65.02 a dollar on fresh selling of the American currency by banks and exporters coupled with firm local equities. At the Interbank Foreign Exchange (FOREX) market, the rupee opened lower at 65.08 against last Wednesday's closing level of 65.04 on sustained demand for the American currency from importers. It later touched a fresh intra-day low of 65.11 in mid morning deals and hovered in a tight range as lack of definite cues restricted the momentum. However, moving in tandem with domestic equity markets alongside adequate dollar supply, the rupee staged a strong comeback to hit a high of 64.9825 before ending at 65.02, showing a small gain of 2 paise, or 0.03%. The RBI fixed the reference rate for the dollar at 65.0239.

Name of the ETF	Holdings In Tonnes As		%Ch
	23-Oct-17	20-Oct-17	
<b>SPDR Gold ETF</b>	853.13	853.13	<b>0.00</b>
<b>iShares Silver Trust</b>	9962.09	9994.39	<b>-0.32</b>

Symbol	23-Oct-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1281	17.075	<b>75.02</b>
<b>Gold v/s Crude Oil</b>	1281	51.90	<b>24.68</b>

Bullion	Closing		% Ch
	23-Oct-17	20-Oct-17	
<b>Gold Dec MCX</b>	29537	29554	<b>-0.06</b>
<b>Gold Dec Comex</b>	1281	1281	<b>0.03</b>
<b>Silver Dec MCX</b>	39910	39877	<b>0.08</b>
<b>Silver Dec Comex</b>	17.075	17.078	<b>-0.02</b>
<b>Energy</b>			
<b>Crude Oil Nov MCX</b>	3383	3372	<b>0.33</b>
<b>Crude Dec Nymex</b>	51.90	51.84	<b>0.12</b>
<b>Natural Gas Nov MCX</b>	206.10	203.80	<b>1.13</b>
<b>Nat. Gas Nov Henry Hub</b>	2.991	2.915	<b>2.61</b>

## LME Inventories (In Tonnes)

Base Metals	23-Oct-17	20-Oct-17	Change	% Change
<b>Aluminum</b>	1199675	1202225	<b>-2550</b>	<b>-0.21</b>
<b>Copper</b>	283450	287625	<b>-4175</b>	<b>-1.45</b>
<b>Nickel</b>	385956	387942	<b>-1986</b>	<b>-0.51</b>
<b>Lead</b>	148575	150075	<b>-1500</b>	<b>-1.00</b>
<b>Zinc</b>	267625	268950	<b>-1325</b>	<b>-0.49</b>

Base Metals	Closing		% Ch
	23-Oct-17	20-Oct-17	
<b>Aluminium Oct</b>	138.45	138.10	<b>0.25</b>
<b>Copper Nov</b>	457.90	455.50	<b>0.53</b>
<b>Nickel Oct</b>	770.90	761.10	<b>1.29</b>
<b>Lead Oct</b>	162.40	160.20	<b>1.37</b>
<b>Zinc Oct</b>	207.80	204.75	<b>1.49</b>

## ECONOMIC CALENDER

Tuesday October 24 2017

Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Japan	<b>Manufacturing PMI (Oct)</b>	<b>52.5</b>	53.1	52.9
12:15 PM	France	<b>French Business Survey (Oct)</b>		110	110
12:30 PM	France	<b>French Manufacturing PMI (Oct)</b>		56.0	56.1
12:30 PM	France	<b>French Markit Composite PMI (Oct)</b>		57.0	57.1
12:30 PM	France	<b>French Services PMI (Oct)</b>		56.9	57.0
1:00 PM	Germany	<b>German Composite PMI (Oct)</b>		57.5	57.7
1:00 PM	Germany	<b>German Manufacturing PMI (Oct)</b>		60.2	60.6
1:00 PM	Germany	<b>German Services PMI (Oct)</b>		55.6	55.6
1:30 PM	Eurozone	<b>Manufacturing PMI (Oct)</b>		57.8	58.1
1:30 PM	Eurozone	<b>Markit Composite PMI (Oct)</b>		56.5	56.7
1:30 PM	Eurozone	<b>Services PMI (Oct)</b>		55.6	55.8
7:15 PM	U.S.	<b>Manufacturing PMI (Oct)</b>		53.5	53.1
7:15 PM	U.S.	<b>Markit Composite PMI (Oct)</b>			54.8
7:15 PM	U.S.	<b>Services PMI (Oct)</b>		55.6	55.3

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