



COMMODITY REPORT

25 October 2017

ECONOMIC/GLOBAL NEWS

- Oil climbed, as Saudi Arabia reiterated a pledge to help balance the global crude market and geopolitical turmoil threatened global inventories, lifting U.S. prices to their highest finish since mid-April. December West Texas Intermediate crude rose 57 cents, or 1.1%, to settle at \$52.47 a barrel on the New York Mercantile Exchange—the highest finish since April 17. MCX Crude Oil November expiry closed at Rs. 3431 per barrel, up 1.42%.
- U.S. IHS Markit composite PMI rose to 55.7 in October, from the prior reading of 54.8. The flash services PMI increased to 55.9 in October, from the prior month's reading of 55.3. IHS Markit also said that its flash manufacturing PMI advanced to 54.5 in October from the prior month's final reading of 53.1.
- The American Petroleum Institute reported that U.S. crude supplies rose by 519,000 barrels for the week ended Oct. 20. The API data, however, also showed a drop of 5.8 million barrels in gasoline stockpiles, while inventories of distillates fell by nearly 5 million barrels.
- Eurozone flash composite output index fell more-than-expected to 55.9 in October from 56.7 a month ago. The services PMI came in at 54.9 in October, down from 55.8 in the previous month. Meanwhile, the factory PMI rose unexpectedly to an 80-month high of 58.6 from 58.1 in September.
- Germany's composite output index fell to 56.9 in October from September's 77-month high of 57.7. The services PMI fell to 55.2 from 55.6 in September. Likewise, the manufacturing PMI came in at 60.5, down from 60.6 a month ago.
- French manufacturing confidence index came in at 111.0 in October, the same reading as in September, which was revised up from 110.0.
- France's composite output index climbed to 57.5 in October from 57.1 in September. The services Purchasing Managers' Index increased to 57.4 in October from 57.0 in the preceding month. Similarly, the manufacturing PMI climbed to a 78-month high of 56.7 in October from 56.1 in September.
- Australia's inflation was up 0.6% on quarter in the third quarter of 2017, was up from 0.2% in the three months prior. On a yearly basis, consumer prices advanced 1.8% - unchanged from the second quarter.

Index	24-Oct-17	23-Oct-17	Pts. Ch.	% Change
Dow	23441.76	23273.96	167.80	0.72
Nifty	10207.70	10184.85	22.85	0.22
Sensex	32607.34	32506.72	100.62	0.31
USD/INR	65.06	65.02	0.04	0.06
Dollar Index	93.83	93.81	0.02	0.02
Euro/\$1US	1.1760	1.1749	0.0011	0.09
\$1US/Yen	113.94	113.44	0.50	0.44
Pound/\$1US	1.3131	1.3197	-0.0066	-0.50

Market Update

- U.S. stocks closed higher, with the Dow ending in record territory, supported by earnings results that continued to come in ahead of expectations. The S&P 500 added 4.15 points, or 0.2%, to end at 2,569.13. The Nasdaq Composite rose 11.60 points, or 0.2%, to 6,598.43.
- Indian market settled with modest gains as firmness in most global stocks boosted investors' sentiment. Market gained for the second day in a row.

Currency Update

- The U.S. dollar remained little changed in late afternoon New York trade, holding close to a two-week high ahead of a flurry of central bank decisions later in the week. The ICE U.S. Dollar Index was little changed at 93.897. Meanwhile, the WSJ Dollar Index edged up 0.2% to 87.28. The euro changed hands at \$1.1773, slightly higher from \$1.1751. Against the Japanese yen the dollar bought ¥113.79, rising from ¥113.43 on Monday, edging closer to the ¥114-mark. The British pound fell to \$1.3127, pulling back from \$1.3197.
- The rupee fell back marginally after a mild overnight recovery to end at a fresh one-week low of 65.06, down 4 paise against the US dollar on fresh bouts of demand from the American currency from corporates and banks. The rupee breached the 65-mark briefly in early trade to hit a high of 64.8950 before drifting lower. The rupee resumed firm at 64.98 against Monday's close of 65.02 at the interbank foreign exchange market on sustained selling of the greenback by banks and exporters. Trading with a well-limited range, the local unit advanced to hit an intra-day high of 64.8950 in mid morning deals before retreating sharply. It touched a low of 65.10 towards the fag-end trade before concluding at 65.06, revealing a loss of 4 paise, or 0.06%. The RBI fixed the reference rate for the dollar at 64.9256.

Name of the ETF	Holdings In Tonnes As		%Ch
	24-Oct-17	23-Oct-17	
SPDR Gold ETF	853.13	853.13	0.00
iShares Silver Trust	9962.09	9962.09	0.00

Symbol	24-Oct-17		Ratio
	Close	Close	
Gold v/s Silver	1278	16.966	75.34
Gold v/s Crude Oil	1278	52.47	24.36

Bullion	Closing		% Ch
	24-Oct-17	23-Oct-17	
Gold Dec MCX	29541	29537	0.01
Gold Dec Comex	1278	1281	-0.20
Silver Dec MCX	39722	39910	-0.47
Silver Dec Comex	16.966	17.075	-0.64
Energy			
Crude Oil Nov MCX	3431	3383	1.42
Crude Dec Nymex	52.47	51.90	1.10
Natural Gas Nov MCX	205.50	206.10	-0.29
Nat. Gas Nov Henry Hub	2.974	2.991	-0.57

LME Inventories (In Tonnes)

Base Metals	24-Oct-17	23-Oct-17	Change	% Change
Aluminum	1195600	1199675	-4075	-0.34
Copper	281550	283450	-1900	-0.67
Nickel	385284	385956	-672	-0.17
Lead	148750	148575	175	0.12
Zinc	266125	267625	-1500	-0.56

Base Metals	Closing		% Ch
	24-Oct-17	23-Oct-17	
Aluminium Oct	140.25	138.45	1.30
Copper Nov	461.05	457.90	0.69
Nickel Oct	781.40	770.90	1.36
Lead Oct	160.95	162.40	-0.89
Zinc Oct	210.95	207.80	1.52

ECONOMIC CALENDER

Wednesday October 25 2017

Time	Country	Event	Actual	Forecast	Previous
2:00 AM	U.S.	API Weekly Crude Oil Stock	0.591M	-0.425M	-7.130M
6:00 AM	Australia	CPI (YoY) (Q3)	1.8%	2.0%	1.9%
6:00 AM	Australia	CPI (QoQ) (Q3)	0.6%	0.8%	0.2%
1:30 PM	Germany	German Business Expectations (Oct)		107.3	107.4
1:30 PM	Germany	German Current Assessment (Oct)		123.5	123.6
1:30 PM	Germany	German Ifo Business Climate Index (Oct)		115.2	115.2
2:00 PM	U.K.	GDP (YoY) (Q3)		1.4%	1.5%
2:00 PM	U.K.	GDP (QoQ) (Q3)		0.3%	0.3%
2:00 PM	U.K.	Index of Services		0.4%	0.5%
6:00 PM	U.S.	Core Durable Goods Orders (MoM) (Sep)		0.5%	0.5%
6:00 PM	U.S.	Durable Goods Orders (MoM) (Sep)		1.0%	2.0%
6:30 PM	U.S.	House Price Index (MoM) (Aug)		0.4%	0.2%
6:30 PM	U.S.	House Price Index (YoY) (Aug)			6.3%
7:30 PM	U.S.	New Home Sales (Sep)		555K	560K
7:30 PM	U.S.	New Home Sales (MoM) (Sep)		-0.9%	-3.4%
8:00 PM	U.S.	Crude Oil Inventories		-2.578M	-5.731M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		-0.860M	0.528M
8:00 PM	U.S.	Gasoline Inventories		-0.017M	0.908M

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