



COMMODITY REPORT

26 October 2017

ECONOMIC/GLOBAL NEWS

- Oil settled lower as domestic crude supplies marked their first rise in five weeks, but data also revealed hefty declines in both gasoline and distillate stockpiles. December West Texas Intermediate crude fell 29 cents, or 0.55%, to settle at \$52.18 a barrel on the New York Mercantile Exchange. The U.S. Energy Information Administration showed that domestic crude supplies rose by 900,000 barrels for the week ended Oct. 20. Gasoline stockpiles dropped by 5.5 million barrels for the week, while distillate stockpiles fell 5.2 million barrels. MCX Crude Oil November expiry closed at Rs. 3384 per barrel, down 1.37%.
- U.S. durable goods orders rose by 2.2% in September. Economists had expected the figure to rise by 1.0%. Core durable goods orders were up 0.7% in the month.
- U.S. new home sales surged up by 18.9% to an annual rate of 667,000 in September from a revised rate of 561,000 in August.
- U.S. house price index came at 0.7% in August. The prior month was also revised higher to 0.4% from 0.1%. The 12 month rise is 6.6% through August.
- U.K. gross domestic product grew 0.4% sequentially in the three months ended September, slightly faster than the 0.3% growth seen in the second quarter. The ONS said following growth of 0.4% GDP has grown for 19 consecutive quarters. On a yearly basis, economic growth held steady at 1.5% in the third quarter. The index of services climbed 0.2% in August from July. In the three months to August, services output rose 0.4% from the previous quarter and 1.7% from last year.
- Germany's business confidence index rose unexpectedly to 116.7 in October from revised 115.3 in the previous month. At the same time, the current conditions index came in at 124.8. Likewise, the expectations indicator climbed to 109.1.
- Australia's export prices skidded 3.0% on quarter in the third quarter of 2017, following the 5.7% drop in the three months prior. Import prices were down 1.6% on quarter, following the 0.1% contraction in the second quarter.
- Japan producer prices were up 0.9% on year in September, unchanged from the August reading. On a monthly basis, producer prices gained 0.1% after sliding 0.2% in August.
- South Korea's gross domestic product climbed a seasonally adjusted 1.4% on quarter in the third quarter of 2017, up from 0.6% in the three months prior. On a yearly basis, GDP advanced 3.6% - up from 2.7% in the second quarter.
- Singapore's industrial production expanded strongly by 14.6% year-over-year in September, but slower than the 19.5% surge in August. Month-on-month, manufacturing output dropped a seasonally adjusted 0.5% from August, when it rose by 0.6%.

Index	25-Oct-17	24-Oct-17	Pts. Ch.	% Change
Dow	23329.46	23441.76	-112.30	-0.48
Nifty	10295.35	10207.70	87.65	0.86
Sensex	33042.50	32607.34	435.16	1.33
USD/INR	64.89	65.06	-0.17	-0.25
Dollar Index	93.53	93.66	-0.13	-0.14
Euro/\$1US	1.1820	1.1761	0.0059	0.50
\$1US/Yen	113.58	113.90	-0.32	-0.28
Pound/\$1US	1.3273	1.3136	0.0137	1.04

Market Update

- The S&P 500 and the Dow posted their biggest one-day declines in more than seven weeks on a string of disappointing earnings, even as the stock market pared early losses. The S&P 500 dropped 11.98 points, or 0.5%, to close at 2,557.15. The Nasdaq Composite shed 34.54 points, or 0.5%, to 6,563.89.
- Indian market settled with solid gains as various measures taken by the government to spur economy including capitalisation of public sector banks and massive road building program boosted sentiment. The market gained for the third straight day.

Currency Update

- The dollar slipped against most of its rivals as the British pound and euro held on to gains despite some stronger-than-expected U.S. data. The ICE U.S. Dollar Index was 0.1% lower at 93.717. The WSJ Dollar Index was 0.1% lower at 87.19. The euro changed hands at \$1.1805, rising from \$1.1761 late Tuesday, and against the Japanese yen the dollar bought ¥113.64, from ¥113.91. The British pound rose to \$1.3253, up from \$1.3133.
- Brushing aside initial volatility, the rupee made a strong comeback by recovering 17 paise against the US dollar to end at a fresh one-week high of 64.89 on late selling of the greenback by exporters and corporates. The rupee opened on a weak note at 65.14 against Tuesday's close of 65.06 at the Interbank Foreign Exchange (Forex) market on the back of heavy dollar demand and drifted further to 65.20. After trading in a tight range with negative bias during most part of the session, the local unit made sharp reversal to recuperate all early losses and managed to end at the day's highest level of 64.89, showing a smart gain of 17 paise, or 0.25%. The RBI, meanwhile, fixed the reference rate for the dollar at 65.1386.

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

Symbol	25-Oct-17		Ratio
	Close	Close	
Gold v/s Silver	1279	16.925	75.57
Gold v/s Crude Oil	1279	52.18	24.51

Bullion	Closing		% Ch
	25-Oct-17	24-Oct-17	
Gold Dec MCX	29394	29541	-0.50
Gold Dec Comex	1279	1278	0.05
Silver Dec MCX	39484	39722	-0.60
Silver Dec Comex	16.925	16.966	-0.24
Energy			
Crude Oil Nov MCX	3384	3431	-1.37
Crude Dec Nymex	52.18	52.47	-0.55
Natural Gas Nov MCX	201.60	205.50	-1.90
Nat. Gas Dec Henry Hub	3.082	3.135	-1.69

LME Inventories (In Tonnes)

Base Metals	25-Oct-17	24-Oct-17	Change	% Change
Aluminum	1195525	1195600	-75	-0.01
Copper	279400	281550	-2150	-0.76
Nickel	387948	385284	2664	0.69
Lead	148725	148750	-25	-0.02
Zinc	264150	266125	-1975	-0.74

Base Metals	Closing		% Ch
	25-Oct-17	24-Oct-17	
Aluminium Nov	141.90	140.80	0.78
Copper Nov	456.35	461.05	-1.02
Nickel Nov	770.80	785.80	-1.91
Lead Nov	161.30	161.55	-0.15
Zinc Nov	210.85	209.05	0.86

ECONOMIC CALENDER

Thursday October 26 2017

Time	Country	Event	Actual	Forecast	Previous
6:00 AM	Australia	Export Price Index (QoQ) (Q3)	-3.0%	-6.3%	-5.7%
6:00 AM	Australia	Import Price Index (QoQ) (Q3)	-1.6%	-1.4%	-0.1%
11:30 AM	Germany	GfK German Consumer Climate (Nov)		10.8	10.8
1:30 PM	Eurozone	M3 Money Supply (YoY) (Sep)		5.0%	5.0%
1:30 PM	Eurozone	Private Sector Loans (YoY)		2.9%	2.7%
3:30 PM	U.K.	CBI Distributive Trades Survey (Oct)		15	42
5:15 PM	Eurozone	Deposit Facility Rate		-0.40%	-0.40%
5:15 PM	Eurozone	ECB Interest Rate Decision (Oct)		0.00%	0.00%
6:00 PM	U.S.	Continuing Jobless Claims		1,890K	1,888K
6:00 PM	U.S.	Goods Trade Balance (Sep)		-63.80B	-63.30B
6:00 PM	U.S.	Initial Jobless Claims		235K	222K
6:00 PM	U.S.	Wholesale Inventories (MoM)		1.0%	0.9%
6:00 PM	Eurozone	ECB Press Conference			
7:30 PM	U.S.	Pending Home Sales (MoM) (Sep)		0.2%	-2.6%
8:00 PM	U.S.	Natural Gas Storage		65B	51B

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