



# COMMODITY REPORT

27 December 2017

## ECONOMIC/GLOBAL NEWS

- Oil prices finished around a 2½-year high, with futures supported by pipeline outages in the North Sea and Libya. West Texas Intermediate crude for February delivery on the New York Mercantile Exchange gained \$1.50, or 2.57%, to settle at \$59.97 a barrel. MCX Crude Oil January expiry closed at Rs. 3833 per barrel, up 2.57%.
- China's industrial profits grew 14.9% year-over-year in November, well below the 25.1% spike in October. During the January to November period, total profits of industrial enterprises surged 21.9% annually, down from 23.3% rise in the January to October period.
- Italy's industrial orders grew 1.9% month-on-month in October, reversing a 4% drop in September. On a yearly basis, growth in industrial orders accelerated sharply to 12.5% from 4.5% in September.
- Italy's consumer confidence index rose to 116.6 in December from 114.4 in November.
- Sweden's producer price inflation climbed 2.7% year-over-year in November, faster than the 2.5% rise in October. On a monthly basis, producer prices increased 1.5% from October, when it rose by 0.3%.
- Sweden's retail sales rose a seasonally adjusted 0.9% month-over-month in November, following a 0.5% rise in October. On a yearly basis, retail sales grew a working-day-adjusted 3.8% in November, faster than the 2.8% climb in the previous month.
- South Korea Composite Consumer Sentiment Index for December stood at 110.9 - down 1.4 points from November. Consumer sentiments as to future household income and spending remained the same as in November, at 104 and 109 respectively.
- Singapore's consumer price inflation climbed 0.6% year-over-year in November, faster than the 0.4% rise in October. On a monthly basis, consumer prices rose 0.6% in November, reversing a 0.3% drop in the preceding month.
- Singapore's manufacturing output rose 5.0% year-over-year in November, but much slower than the 14.5% surge in October. Month-on-month, manufacturing output dropped a seasonally adjusted 2.3% from October, when it increased by 0.4%.
- Taiwan's seasonally adjusted jobless rate came in at 3.69% in November, the same rate as in October. The number of unemployed people totaled 436,000 in November. A year ago, the jobless figure totaled 451,000.
- Brazil's consumer confidence index dropped to 86.4 in December from 86.8 in November. The current assessment index eased to 73.8 from 74.5.

Index	26-Dec-17	22-Dec-17	Pts. Ch.	% Change
<b>Dow</b>	24746.21	24754.06	<b>-7.85</b>	<b>-0.03</b>
<b>Nifty</b>	10531.50	10493.00	<b>38.50</b>	<b>0.37</b>
<b>Sensex</b>	34010.61	33940.30	<b>70.31</b>	<b>0.21</b>
<b>USD/INR</b>	64.08	64.05	<b>0.03</b>	<b>0.05</b>
<b>Dollar Index</b>	92.84	92.88	<b>-0.04</b>	<b>-0.04</b>
<b>Euro/\$1US</b>	1.1857	1.1864	<b>-0.0007</b>	<b>-0.06</b>
<b>\$1US/Yen</b>	113.21	113.29	<b>-0.08</b>	<b>-0.07</b>
<b>Pound/\$1US</b>	1.3338	1.3363	<b>-0.0026</b>	<b>-0.19</b>

## Market Update

- U.S. stocks finished slightly lower as a decline in Apple Inc. more than offset postholiday gains in the retail sector and a surge in crude-oil futures that took the commodity to a 2½-year high. The S&P 500 index lost 2.84 points, or 0.1%, at 2,680.50. The Nasdaq Composite Index declined 23.71 points, or 0.3%, at 6,936.25.
- Indian market logged modest gains. Stocks logged gains in late trade after seeing small movement for most part of the trading session. The Sensex and the Nifty, both, hit their record closing high levels.

## Currency Update

- The Mexican peso came under pressure after U.S. tax cuts continued to weigh on the currency, while the U.S. dollar edged lower versus most major rivals. The ICE U.S. Dollar Index traded slightly lower at 93.25, compared with 93.37 on Monday. On the last day of regular trading for markets before Christmas, the index was at 93.314. The WSJ Dollar Index was mostly flat at 86.72, compared with 86.74. The euro slipped to \$1.1865 from \$1.1876. The euro had tapped a 2½-week high on Wednesday of \$1.1901. Against the Japanese yen, the dollar traded at ¥113.17 versus ¥113.24. The British pound traded at \$1.3379, from \$1.3371 late in the previous session.
- Reversing its two-session uptrend, the rupee ended lower by 3 paise at 64.08 against the US currency in a quiet trade due to stray month-end dollar demand from importers even as stocks attained new highs. The Indian currency hovered in the range of 64.02-64.11 during the day. At the Interbank Foreign Exchange (forex) market, the home currency resumed mildly positive at 64.03 against last Friday's finish of 64.05 on mild dollar selling by exporters. Later, it was confined in a narrow trading band of 64.02-64.12 for most part of the day before settling at 64.08, revealing a small loss of 3 paise, or 0.05%. The RBI fixed the reference rate for the dollar at 64.0538.

Name of the ETF	Holdings In Tonnes As		%Ch
	26-Dec-17	22-Dec-17	
<b>SPDR Gold ETF</b>	837.50	837.50	<b>0.00</b>
<b>iShares Silver Trust</b>	10126.74	10126.74	<b>0.00</b>

Symbol	26-Dec-17		Ratio
	Close	Close	
<b>Gold v/s Silver</b>	1288	16.604	<b>77.54</b>
<b>Gold v/s Crude Oil</b>	1288	59.97	<b>21.47</b>

Bullion	Closing		% Ch
	26-Dec-17	22-Dec-17	
<b>Gold Feb MCX</b>	28829	28653	<b>0.61</b>
<b>Gold Feb Comex</b>	1288	1279	<b>0.68</b>
<b>Silver Mar MCX</b>	38294	37954	<b>0.90</b>
<b>Silver Mar Comex</b>	16.604	16.444	<b>0.97</b>
<b>Energy</b>			
<b>Crude Oil Jan MCX</b>	3833	3737	<b>2.57</b>
<b>Crude Feb Nymex</b>	59.97	58.47	<b>2.57</b>
<b>Natural Gas Jan MCX</b>	172.40	170.60	<b>1.06</b>
<b>Nat. Gas Feb Henry Hub</b>	2.654	2.658	<b>-0.15</b>

## LME Inventories (In Tonnes)

Base Metals	22-Dec-17	21-Dec-17	Change	% Change
<b>Aluminum</b>	1104950	1106025	<b>-1075</b>	<b>-0.10</b>
<b>Copper</b>	201600	201650	<b>-50</b>	<b>-0.02</b>
<b>Nickel</b>	374136	373410	<b>726</b>	<b>0.19</b>
<b>Lead</b>	141950	141875	<b>75</b>	<b>0.05</b>
<b>Zinc</b>	186675	188225	<b>-1550</b>	<b>-0.82</b>

Base Metals	Closing		% Ch
	22-Dec-17	21-Dec-17	
<b>Aluminium Jan</b>	139.05	139.95	<b>-0.64</b>
<b>Copper Feb</b>	464.85	460.00	<b>1.05</b>
<b>Nickel Jan</b>	774.00	774.70	<b>-0.09</b>
<b>Lead Jan</b>	159.50	159.00	<b>0.31</b>
<b>Zinc Jan</b>	209.10	209.55	<b>-0.21</b>

## ECONOMIC CALENDER

Wednesday December 27 2017

Time	Country	Event	Actual	Forecast	Previous
8:30 PM	U.S.	<b>CB Consumer Confidence (Dec)</b>		<b>128.1</b>	129.5
8:30 PM	U.S.	<b>Pending Home Sales (MoM) (Nov)</b>		<b>-0.4%</b>	3.5%

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