



COMMODITY REPORT

28 August 2017

ECONOMIC/GLOBAL NEWS

- Natural gas price posted a mostly sideways trade last before settling lower. The national weather suggests lower demand due to cooler temperatures, but the real weather-market driver is likely to be the hurricane which hit several key production areas in Texas over the week-end. October natural gas shed 5.8 cents, or 1.95%, to \$2.924 per million British thermal units. MCX Natural Gas September expiry closed at Rs. 187.70 per British thermal unit, down 2.19%.
- China's industrial profit grew at a slower rate of 16.5% year-over-year in July, following a 19.1% spike in June.
- U.S. initial jobless claims inched up to 234,000 in the week ended August 19th, an increase of 2,000 from the previous week's unrevised level of 232,000. Continuing claims were unchanged from the previous week at 1.954 million in the week ended August 12th.
- U.S. durable goods orders plunged by 6.8% in July after surging up by 6.4% in June. Core durable goods orders increased by 0.5% in July after inching up by 0.1 in June.
- U.S. existing home sales fell by 1.3% to an annual rate of 5.44 million in July after tumbling by 2% to a downwardly revised 5.51 million in June.
- The U.S. Energy Information Administration showed that domestic supplies of natural gas rose by 43 billion cubic feet for the week ended Aug. 18. Total stocks now stand at 3.125 trillion cubic feet, down 223 billion cubic feet from a year ago, but 45 billion cubic feet above the five-year average, the government said.
- U.K. gross domestic product increased 0.3% sequentially in the second quarter, slightly faster than the 0.2% expansion posted in the first quarter. Year-on-year, GDP growth came in at 1.7%, in line with preliminary estimate.
- U.K. index of services increased 0.4% in June from May.
- Germany gross domestic product grew 0.6% sequentially in the second quarter, but slightly slower than the 0.7% seen in the first quarter. On a yearly basis, GDP expanded by a working-day adjusted 2.1%, following a 2% growth logged in the previous quarter.
- German business sentiment index fell to 115.9 in August from July's record high of 116. The current conditions index came in at 124.6. Meanwhile, the expectations indicator rose to 107.9 in August, above the consensus of 106.8.
- Germany's import price inflation slowed more-than-expected to 1.9% in July from 2.5% in June. Month-on-month, import prices fell 0.4% in July, in contrast to a 1.1% rise in June. At the same time, export price inflation slowed to 1.5% annually in July from 1.8% a month ago.
- French consumer sentiment index came in at 103 in August versus 104 in July.
- French manufacturing sentiment index improved to 111 in August from revised 108 in July. Business managers in industry forecast a 7% increase in their investment spending compared with 2016.
- Japan consumer prices advanced 0.4% on year in July, unchanged from the June reading. Core inflation advanced an annual 0.5% - again unchanged. On a monthly basis, overall CPI and core CPI were both flat.

Index	25-Aug-17	24-Aug-17	Pts. Ch.	% Change
Dow	21813.67	21783.40	30.27	0.14
Nifty	CLOSED	9857.05	-	-
Sensex	CLOSED	31596.06	-	-
USD/INR	CLOSED	64.03	-	-
Dollar Index	92.68	93.20	-0.52	-0.56
Euro/\$1US	1.1926	1.1799	0.0127	1.08
\$1US/Yen	109.36	109.56	-0.20	-0.18
Pound/\$1US	1.2887	1.2800	0.0087	0.68

Market Update

- U.S. stocks closed higher with the main indexes posting solid weekly gains after neither Federal Reserve Chairwoman Janet Yellen nor European Central Bank President Mario Draghi offered clues about future monetary policy moves in a pair of speeches at a central banker retreat in Wyoming. The S&P 500 rose 4.08 points, or 0.2%, to end at 2,443.05. The Nasdaq Composite Index closed 5.68 points, or 0.1%, lower at 6,265.64.
- Indian market on **25th August, 2017** on account of "**India - Ganesh Chaturthi**".

Currency Update

- The U.S. dollar was hit as markets digested the speeches of Federal Reserve Chairwoman Janet Yellen and European Central Bank President Mario Draghi at Jackson Hole, Wyo., which saw the euro surge to its highest level since January 2015. The ICE U.S. Dollar Index traded at 92.5590, back up from an intraday low of 92.465. The WSJ Dollar Index shed 0.6% to 85.63, also the lowest level of the year. The euro rose to its highest level since January 2015 on Friday following Draghi, before retreating slightly. The eurozone currency traded at \$1.1920, up 1.3%. Meanwhile, the British pound rose 0.6% to \$1.2871 versus \$1.2801. Against the Japanese yen, the dollar slipped to ¥109.29, compared with ¥109.56.
- Indian currency market on **25th August, 2017** on account of "**India - Ganesh Chaturthi**".

Name of the ETF	Holdings In Tonnes As		%Ch
	25-Aug-17	24-Aug-17	
SPDR Gold ETF	805.20	799.29	0.74
iShares Silver Trust	10363.03	10401.24	-0.37

Symbol	25-Aug-17		Ratio
	Close	Close	
Gold v/s Silver	1298	17.049	76.13
Gold v/s Crude Oil	1298	47.87	27.11

Bullion	Closing		% Ch
	25-Aug-17	24-Aug-17	
Gold Oct MCX	29167	29099	0.23
Gold Dec Comex	1298	1292	0.46
Silver Dec MCX	39646	39492	0.39
Silver Sep Comex	17.049	16.963	0.51
Energy			
Crude Oil Sep MCX	3058	3041	0.56
Crude Oct Nymex	47.87	47.43	0.93
Natural Gas Sep MCX	187.70	191.90	-2.19
Nat. Gas Oct Henry Hub	2.924	2.982	-1.95

LME Inventories (In Tonnes)

Base Metals	25-Aug-17	24-Aug-17	Change	% Change
Aluminum	1321600	1314475	7125	0.54
Copper	240825	245050	-4225	-1.72
Nickel	387450	385200	2250	0.58
Lead	148200	148250	-50	-0.03
Zinc	246325	246525	-200	-0.08

Base Metals	Closing		% Ch
	25-Aug-17	24-Aug-17	
Aluminium Sept	132.05	134.20	-1.60
Copper Nov	433.30	434.40	-0.25
Nickel Sept	733.70	753.10	-2.58
Lead Sept	148.45	150.80	-1.56
Zinc Sept	196.10	199.65	-1.78

ECONOMIC CALENDER

Monday August 28 2017

Time	Country	Event	Actual	Forecast	Previous
1:30 PM	Eurozone	M3 Money Supply (YoY) (Jul)		4.9%	5.0%
1:30 PM	Eurozone	Private Sector Loans (YoY)		2.7%	2.6%
6:00 PM	U.S.	Goods Trade Balance (Jul)		-64.50B	-64.01B
6:00 PM	U.S.	Wholesale Inventories (MoM)		0.2%	0.7%

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