



COMMODITY REPORT

28 December 2017

ECONOMIC/GLOBAL NEWS

- Gold futures logged a fourth consecutive session of gains, extending their rise to a four-week high, as the broader metals complex rallies toward 2018. February gold climbed \$3.90, or 0.3%, to settle at \$1,291.40 an ounce. MCX Gold February expiry closed at Rs. 28942 per 10 gram, up 0.39%.
- U.S. pending home sales index inched up by 0.2% to 109.5 in November after surging up by 3.5% to 109.3 in October.
- U.S. Conference Board said its consumer confidence index slumped to 122.1 in December from a downwardly revised 128.6 in November.
- The American Petroleum Institute showed that U.S. crude supplies declined by 6 million barrels for the week ended Dec. 22. However, the API data also showed a gain of 3.1 million barrels in gasoline stockpiles, while inventories of distillates rose by 2.8 million barrels.
- U.K. private sector growth picked up in the fourth quarter, the Confederation of British Industry said, the balance of firms reporting a rise in output was +19%, compared with +6% in the three months to November.
- Spain's retail sales climbed a calendar-adjusted 2.0% year-over-year in November, faster than the 0.3% rise in October. Month-on-month, retail sales grew 1.3% in November, reversing a 0.8% decrease in the preceding month.
- Swiss investor confidence strengthened further in December to its highest level since early 2010, the Credit Suisse CFA Society Switzerland Indicator climbed to 52 from 40.7 in November.
- Japan's industrial output climbed to a seasonally adjusted 0.6% on month in November, unchanged from the October reading. On a yearly basis, industrial production advanced 3.7% - down from 5.9% in the previous month.
- Japan's retail sales were up to a seasonally adjusted 1.9% on month in November, following the downwardly revised 0.1% contraction in October. On a yearly basis, retail sales climbed 2.2% - following the 0.2% slide in the previous month.
- South Korea's industrial output picked up to a seasonally adjusted 0.2% on month in November, following the downwardly revised 1.5% contraction in October (originally -1.1%). On a yearly basis, industrial production sank 1.6%, following the downwardly revised 6.1% drop in the previous month (originally -5.9%).
- South Korea's retail sales jumped 5.6% on month in November, that follows the 2.9% decline in October. On a yearly basis, retail sales spiked 6.5% following the 0.2% drop in the previous month.
- Finland's business sentiment climbed to 18.0 in December from 15.0 in November.
- Finland's consumer confidence index rose to 24.0 in December from 23.0 in November.

Index	27-Dec-17	26-Dec-17	Pts. Ch.	% Change
Dow	24774.30	24746.21	28.09	0.11
Nifty	10490.75	10531.50	-40.75	-0.39
Sensex	33911.81	34010.61	-98.80	-0.29
USD/INR	64.15	64.08	0.07	0.11
Dollar Index	92.66	92.80	-0.14	-0.15
Euro/\$1US	1.1900	1.1859	0.0041	0.35
\$1US/Yen	113.22	113.23	-0.01	-0.01
Pound/\$1US	1.3403	1.3374	0.0029	0.22

Market Update

- U.S. stocks booked slight gains, with major indexes halting a two-day skid, although trading activity was subdued as investors found few fresh catalysts in what is typically one of the lowest-volume weeks of the year. The S&P 500 index added 2.12 points, or 0.1%, to 2,682.62. The Nasdaq Composite Index advanced 3.09 points, or less than 0.1%, at 6,939.34.
- Indian market suffered modest losses after a volatile trading session. The Sensex settled a tad below the psychological 34,000 mark after trading above that level for most part of the day.

Currency Update

- The U.S. dollar softened against its main rivals, with the euro and British pound strengthening against the greenback, as investors appeared to wager that an improving outlook for the Eurozone economy would provide a boost to local currencies. The ICE U.S. Dollar Index was down 0.3% at 93.04, compared with 93.25. The WSJ Dollar Index was down 0.2% at 86.56, compared with 86.74. The euro rose to \$1.1896 from \$1.1859. The shared currency had tapped a 2½-week high last week at \$1.1901. The British pound traded at \$1.3400, compared with \$1.3374. Against the Japanese yen, the dollar was little changed to trade at ¥113.25 versus ¥113.23.
- The rupee drifted further down by 7 paise to end at a fresh one-week low of 64.15 against the US dollar due to month-end demand for the American currency from importers and banks. At the Interbank Foreign Exchange (forex) market, the rupee opened a tad higher at 64.06 from overnight close of 64.08 tracking firm local equities. But, it drifted gradually to hit an intra-day low of 64.18 in mid-morning deals on month-end dollar demand from importers and corporates. After regaining some lost ground, the local unit finally settled at 64.15, revealing a loss of 7 paise, or 0.11%. The RBI fixed the reference rate for the dollar at 64.1577

Name of the ETF	Holdings In Tonnes As		%Ch
	27-Dec-17	26-Dec-17	
SPDR Gold ETF	837.50	837.50	0.00
iShares Silver Trust	10101.80	10126.74	-0.25

Symbol	27-Dec-17		Ratio
	Close	Close	
Gold v/s Silver	1291	16.756	77.07
Gold v/s Crude Oil	1291	59.64	21.65

Bullion	Closing		% Ch
	27-Dec-17	26-Dec-17	
Gold Feb MCX	28942	28829	0.39
Gold Feb Comex	1291	1288	0.30
Silver Mar MCX	38673	38294	0.99
Silver Mar Comex	16.756	16.604	0.92
Energy			
Crude Oil Jan MCX	3818	3833	-0.39
Crude Feb Nymex	59.64	59.97	-0.55
Natural Gas Jan MCX	175.90	172.40	2.03
Nat. Gas Feb Henry Hub	2.732	2.654	2.94

LME Inventories (In Tonnes)

Base Metals	27-Dec-17	22-Dec-17	Change	% Change
Aluminum	1104425	1104950	-525	-0.05
Copper	202100	201600	500	0.25
Nickel	372258	374136	-1878	-0.50
Lead	141750	141950	-200	-0.14
Zinc	185275	186675	-1400	-0.75

Base Metals	Closing		% Ch
	27-Dec-17	26-Dec-17	
Aluminium Jan	143.90	139.05	3.49
Copper Feb	466.25	464.85	0.30
Nickel Jan	774.10	774.00	0.01
Lead Jan	162.90	159.50	2.13
Zinc Jan	210.60	209.10	0.72

ECONOMIC CALENDER

Thursday December 28 2017

Time	Country	Event	Actual	Forecast	Previous
3:05 AM	U.S.	API Weekly Crude Oil Stock	-6.000M	-3.800M	-5.222M
5:20 AM	Japan	Industrial Production (MoM) (Nov)	0.6%	0.5%	0.5%
5:20 AM	Japan	Retail Sales (YoY) (Nov)	2.2%	1.2%	-0.2%
10:30 AM	Japan	BoJ Core CPI (YoY)			0.5%
12:30 PM	U.K.	Nationwide HPI (MoM)			0.1%
12:30 PM	U.K.	Nationwide HPI (YoY)			2.5%
7:00 PM	U.S.	Continuing Jobless Claims		1,900K	1,932K
7:00 PM	U.S.	Goods Trade Balance (Nov)		-67.60B	-68.10B
7:00 PM	U.S.	Initial Jobless Claims		241K	245K
7:00 PM	U.S.	Wholesale Inventories (MoM)		0.4%	-0.5%
8:15 PM	U.S.	Chicago PMI (Dec)		62.0	63.9
9:00 PM	U.S.	Natural Gas Storage		-113B	-182B
9:30 PM	U.S.	Crude Oil Inventories		-3.970M	-6.495M
9:30 PM	U.S.	EIA Weekly Distillates Stocks		-0.584M	0.769M
9:30 PM	U.S.	Gasoline Inventories		1.278M	1.237M

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