



COMMODITY REPORT

29 December 2017

ECONOMIC/GLOBAL NEWS

- U.S. natural gas futures surged high after federal data showed a storage withdrawal in line with market expectations. Front-month gas futures (NGc1) for February delivery on the New York Mercantile Exchange rose 6.7 percent, to \$2.914 per million British thermal units.
- The number of Americans filing for unemployment benefits was unchanged last week. U.S. workers filed 245,000 initial claims for state unemployment benefits during the week that ended Dec. 23. Continuing jobless claims rose to 1.943 million from 1.936 million in the preceding week, which was revised up from 1.932 million.
- Factory activity in the US Mid-West quickened again at the end of the year. Chicago PMI jumped from a reading of 63.9 for November to 67.6 in December - its strongest print since March 2011. In terms of quarterly averages, the PMI was at 65.9 in the fourth quarter of 2017, up from 61.0 for the three months to September, its best reading since the first quarter of 2011.
- The U.S. Energy Information Administration said in its weekly report that crude oil inventories fell by 4.609 million barrels in the week ended December 22. The report also showed that gasoline inventories increased by 0.591 million barrels. While distillate stockpiles rose by 1.090 million barrels, compared to forecasts for a draw of 0.584 million.
- The U.S. Energy Information Administration said in its weekly report that natural gas storage in the U.S. fell by 112 billion cubic feet in the week ended December 22. Total U.S. natural gas storage stood at 3.332 trillion cubic feet, 1.8% than levels at this time a year ago and 2.5% below the five-year average for this time of year.
- Japan's best run of growth in a decade looks set to stretch into 2018 showing most factories and consumers stepping up a gear, giving policymakers more reasons to discuss an end to crisis-era stimulus. Industrial production rose to 0.6 in November following a 0.5 percent gain in October.

Index	28-Dec-17	27-Dec-17	Pts. Ch.	% Change
Dow	24837.51	24774.30	63.21	0.26
Nifty	10477.90	10490.75	-12.85	-0.12
Sensex	33848.03	33911.81	-63.78	-0.19
USD/INR	64.08	64.15	-0.07	-0.11
Dollar Index	92.67	93.03	-0.36	-0.39
Euro/\$1US	1.1940	1.1888	0.0052	0.44
\$1US/Yen	112.88	113.36	-0.48	-0.42
Pound/\$1US	1.3440	1.3397	0.0043	0.32

Market Update

- The Dow Jones Industrial Average on Thursday logged its 71st record close in 2017, buoyed mostly by gains in bank shares and a slight pick up in energy and materials, as crude-oil prices perked up in seasonally light trading volume. The Dow DJIA rose 63.21 points, or 0.3%, to 24,837.51. The S&P 500 index SPX advanced 4.92 points, or 0.2%, to 2,687.54. The Nasdaq Composite Index COMP closed trading up 10.82 points, or 0.2%, at 6,950.16.
- Key benchmark indices, led by index pivots State Bank of India and HDFC, logged modest losses in volatile trade. The barometer index S&P BSE Sensex, fell 63.78 points or 0.19% at 33,848.03. The Nifty 50 index fell 12.85 points or 0.12% at 10,477.90. The S&P BSE Mid-Cap index rose 0.1%. The S&P BSE Small-Cap index rose 0.32%.

Currency Update

- The U.S. dollar fell Thursday, extending its recent losses and taking a particularly hard hit against the British pound, euro after a sharp fall in U.S. Treasury yields. The ICE U.S. Dollar Index DXY, a measure of the dollar against a basket of six major rivals, was down 0.4% to 92.67. The euro EURUSD, rose to \$1.194 from \$1.1888. The British pound GBPUSD, jumped to \$1.344, compared with \$1.3397. Against the Japanese yen USDJPY the dollar fell to ¥112.88 from ¥113.36.
- The rupee today made an impressive recovery after an early jolt and closed 7 paise higher at 64.08 against the US currency on fresh bouts of dollar selling from exporters and banks.

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

Symbol	28-Dec-17		Ratio
	Close	Close	
Gold v/s Silver	1297	16.923	76.65
Gold v/s Crude Oil	1297	59.84	21.68

Bullion	Closing		% Ch
	28-Dec-17	27-Dec-17	
Gold Feb MCX	29012	28942	0.24
Gold Feb Comex	1297	1291	0.48
Silver Mar MCX	38906	38673	0.60
Silver Mar Comex	16.923	16.756	1.00
Energy			
Crude Oil Jan MCX	3820	3818	0.05
Crude Feb Nymex	59.84	59.64	0.34
Natural Gas Jan MCX	188.20	175.90	6.99
Nat. Gas Feb Henry Hub	2.914	2.732	6.66

LME Inventories (In Tonnes)

Base Metals	28-Dec-17	27-Dec-17	Change	% Change
Aluminum	1103500	1104425	-925	-0.08
Copper	202850	202100	750	0.37
Nickel	370836	372258	-1422	-0.38
Lead	142250	141750	500	0.35
Zinc	183525	185275	-1750	-0.94

Base Metals	Closing		% Ch
	28-Dec-17	27-Dec-17	
Aluminium Jan	145.60	143.90	1.18
Copper Feb	468.95	466.25	0.58
Nickel Jan	792.50	774.10	2.38
Lead Jan	162.10	162.90	-0.49
Zinc Jan	211.95	210.60	0.64

ECONOMIC CALENDER

Friday December 29 2017

Time	Country	Event	Actual	Forecast	Previous
5:31 AM	U.K.	GfK Consumer Confidence (Dec)		-12	-12
12:30 PM	Germany	German Import Price Index (MoM) (Nov)			0.6%
12:30 PM	Germany	German Import Price Index (YoY) (Nov)		2.6%	2.6%
2:30 PM	Eurozone	M3 Money Supply (YoY) (Nov)		4.9%	5.0%
2:30 PM	Eurozone	Private Sector Loans (YoY)		2.8%	2.7%
3:30 PM	India	Federal Fiscal Deficit (Nov)			5,253.21B
5:00 PM	India	FX Reserves, USD			401.39B
5:00 PM	India	Infrastructure Output (YoY) (Nov)			4.7%
6:30 PM	Germany	German CPI (MoM) (Dec)		0.5%	0.3%
6:30 PM	Germany	German CPI (YoY) (Dec)		1.5%	1.8%

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