



COMMODITY REPORT

31 March 2017

ECONOMIC/GLOBAL NEWS

- Oil prices rose for a third straight session, with U.S. benchmark crude topping \$50 a barrel to finish at a more than three-week high. On the New York Mercantile Exchange, West Texas Intermediate crude for May delivery added 84 cents, or 1.7%, to settle at \$50.35 a barrel. MCX Crude Oil April expiry closed at Rs. 3269 per barrel, up 1.81%.
- China manufacturing sector continued to expand in March, with a manufacturing PMI score of 51.8, up from 51.6 in February. Non-manufacturing PMI came in at 55.1 for March, up from 54.2 in the previous month.
- U.S. GDP climbed by 2.1% in the fourth quarter compared to the previously reported 1.9% increase.
- U.S. initial jobless claims edged down to 258,000 in the week ended March 25th, a decrease of 3,000 from the previous week's revised level of 261,000. Continuing claims also increased by 65,000 to 2.052 million in the week ended March 18th.
- The U.S. Energy Information Administration showed that domestic supplies of Natural Gas fell by 43 billion cubic feet for the week ended March 24. Total stocks now stand at 2.049 trillion cubic feet, down 423 billion cubic feet from a year ago, but 250 billion cubic feet above the five-year average, the government said.
- U.K. GfK Consumer confidence remained tepid in March, with an index score of -6. That was unchanged from the February reading.
- Eurozone economic sentiment index fell slightly to 107.9 in March from 108.0 in February. The industrial confidence index dropped marginally to 1.2 from 1.3. The services confidence indicator declined to 12.7 in March from 13.9 a month ago. The consumer sentiment index improved to -5, from -6.2 in February. The business confidence index remained unchanged at 0.82 in March.
- German flash consumer price inflation eased more-than-expected to 1.6% in March from a 54-month high of 2.2% in February. Month-on-month, the consumer price index gained 0.2% in March.
- Japan consumer prices were up 0.3% on year in February, down from 0.4% in January. Core CPI added an annual 0.2% - up from 0.1% in the previous month. On a monthly basis, overall inflation was down 0.1% and core CPI was flat.
- Japan industrial output jumped 2.0% on month in February, following the 0.4% decline in January. On a yearly basis, output jumped 4.8% - up from 3.7% in the previous month.
- Japan unemployment rate came in at a seasonally adjusted 2.8% in February that was below for 3.0% from the previous month.

| Index | 30-Mar-17 | 29-Mar-17 | Pts. Ch. | % Change |
|---------------------|-----------|-----------|----------------|--------------|
| Dow | 20728.49 | 20659.32 | 69.17 | 0.33 |
| Nifty | 9173.75 | 9143.80 | 29.95 | 0.33 |
| Sensex | 29647.42 | 29531.43 | 115.99 | 0.39 |
| USD/INR | 64.92 | 64.92 | 0.00 | -0.01 |
| Dollar Index | 100.28 | 99.84 | 0.44 | 0.44 |
| Euro/\$1US | 1.0675 | 1.0767 | -0.0092 | -0.85 |
| \$1US/¥en | 111.92 | 111.05 | 0.87 | 0.78 |
| Pound/\$1US | 1.2469 | 1.2434 | 0.0035 | 0.28 |

Market Update

- U.S. stocks closed higher as financial shares rallied following a positive reading of economic growth and the tech-heavy Nasdaq returned to finish in record territory after a month-long wait. The S&P 500 index closed up 6.93 points, or 0.3%, at 2,368.06. The Nasdaq Composite Index climbed 16.80 points, or 0.3%, to close at a record 5,914.34.
- Indian market continued with rising streak for third consecutive session after the Lok Sabha approved four legislations to give shape to the historic Goods and Services Tax (GST) bill.

Currency Update

- The dollar rose, boosted, particularly against the euro and Japanese yen, by a positive read on U.S. economic growth. The ICE U.S. Dollar Index was up 0.4% at 100.40. The WSJ Dollar Index was up 0.3% at 90.32. Against the yen, the dollar gained 0.4% to ¥111.52, compared with ¥111.04. The euro was off 0.7% at \$1.0690, compared with \$1.0767. The pound climbed 0.3% to \$1.2474, compared with \$1.2435.
- The rupee showed signs of fatigue after a three-day stellar rally and ended flat at 64.92 against the US currency. The local currency resumed firmly higher at 64.87 from Wednesday's closing value of 64.92 at the Interbank Foreign Exchange (forex) market and gained further ground to 64.84 on sustained dollar selling. But it soon reversed the uptrend and turned weaker on fresh dollar pressure to touch an intra-day low of 64.99. After trading in a tight-range most of the day, the home currency finally settled little changed at 64.92, showing a mere loss of 0.01%. The RBI, meanwhile, fixed the reference rate for the dollar at 64.9325, smaller increase than the expected.

| Name of the ETF | Holdings In Tonnes As | | %Ch |
|-----------------------------|-----------------------|-----------|--------------|
| | 30-Mar-17 | 29-Mar-17 | |
| SPDR Gold ETF | 832.32 | 833.51 | -0.14 |
| iShares Silver Trust | 10291.97 | 10291.97 | 0.00 |

| Symbol | 30-Mar-17 | | Ratio |
|---------------------------|-----------|--------|--------------|
| | Close | Close | |
| Gold v/s Silver | 1248 | 18.206 | 68.55 |
| Gold v/s Crude Oil | 1248 | 50.35 | 24.79 |

| LME Inventories (In Tonnes) | | | | |
|-----------------------------|-----------|-----------|---------------|--------------|
| Base Metals | 30-Mar-17 | 29-Mar-17 | Change | % Change |
| Aluminum | 1898450 | 1912075 | -13625 | -0.71 |
| Copper | 297550 | 304275 | -6725 | -2.21 |
| Nickel | 378402 | 379866 | -1464 | -0.39 |
| Lead | 189100 | 190150 | -1050 | -0.55 |
| Zinc | 372825 | 373800 | -975 | -0.26 |

| Bullion | Closing | | % Ch |
|-------------------------------|-----------|-----------|--------------|
| | 30-Mar-17 | 29-Mar-17 | |
| Gold Jun MCX | 28663 | 28837 | -0.60 |
| Gold Jun Comex | 1248 | 1257 | -0.70 |
| Silver May MCX | 42147 | 42283 | -0.32 |
| Silver May Comex | 18.206 | 18.252 | -0.25 |
| Energy | | | |
| Crude Oil Apr MCX | 3269 | 3211 | 1.81 |
| Crude May Nymex | 50.35 | 49.51 | 1.70 |
| Natural Gas Apr MCX | 207.20 | 210.70 | -1.66 |
| Nat. Gas May Henry Hub | 3.191 | 3.231 | -1.24 |

| Base Metals | Closing | | % Ch |
|----------------------|-----------|-----------|--------------|
| | 30-Mar-17 | 29-Mar-17 | |
| Aluminium Apr | 127.25 | 126.50 | 0.59 |
| Copper Apr | 383.80 | 384.05 | -0.07 |
| Nickel Apr | 653.00 | 652.60 | 0.06 |
| Lead Apr | 150.55 | 151.80 | -0.82 |
| Zinc Apr | 184.15 | 185.10 | -0.51 |

ECONOMIC CALENDER

| Thursday Mar 31, 2017 | | | | | |
|-----------------------|----------|---|-------------|----------|-----------|
| Time | Country | Event | Actual | Forecast | Previous |
| 4:31 AM | U.K. | GfK Consumer Confidence (Mar) | -6 | -7 | -6 |
| 5:00 AM | Japan | National Core CPI (YoY) (Feb) | 0.2% | 0.2% | 0.1% |
| 5:00 AM | Japan | National CPI (YoY) (Feb) | 0.3% | 0.3% | 0.4% |
| 5:00 AM | Japan | Unemployment Rate (Feb) | 2.8% | 3.0% | 3.0% |
| 5:20 AM | Japan | Industrial Production (MoM) (Feb) | 2.0% | 1.2% | -0.4% |
| 6:30 AM | China | Manufacturing PMI (Mar) | 51.8 | 51.6 | 51.6 |
| 6:30 AM | China | Non-Manufacturing PMI (Mar) | 55.1 | | 54.2 |
| 11:30 AM | U.K. | Nationwide HPI (YoY) (Mar) | | 4.1% | 4.5% |
| 11:30 AM | U.K. | Nationwide HPI (MoM) (Mar) | | 0.4% | 0.6% |
| 11:30 AM | Germany | German Retail Sales (YoY) (Feb) | | 0.3% | 2.3% |
| 11:30 AM | Germany | German Retail Sales (MoM) (Feb) | | 0.7% | -0.8% |
| 12:15 PM | France | French Consumer Spending (MoM) (Feb) | | 0.1% | 0.6% |
| 12:15 PM | France | French CPI (MoM) (Mar) | | 0.7% | 0.1% |
| 12:15 PM | France | French PPI (MoM) (Feb) | | | 0.7% |
| 1:30 PM | Germany | German Unemployment Change (Mar) | | -10K | -14K |
| 1:30 PM | Germany | German Unemployment Rate (Mar) | | 5.9% | 5.9% |
| 2:00 PM | U.K. | Current Account (Q4) | | -16.0B | -25.5B |
| 2:00 PM | U.K. | GDP (YoY) (Q4) | | 2.0% | 2.0% |
| 2:00 PM | U.K. | GDP (QoQ) (Q4) | | 0.7% | 0.7% |
| 2:00 PM | U.K. | Index of Services | | 0.7% | 0.8% |
| 2:30 PM | Eurozone | Core CPI (YoY) (Mar) | | 0.8% | 0.9% |
| 2:30 PM | Eurozone | Core CPI (MoM) (Mar) | | | 0.4% |
| 2:30 PM | Eurozone | CPI (MoM) (Mar) | | | 0.4% |
| 2:30 PM | Eurozone | CPI (YoY) (Mar) | | 1.8% | 2.0% |
| 4:00 PM | India | Federal Fiscal Deficit (Feb) | | | 5,641.92B |
| 5:00 PM | India | FX Reserves, USD | | | 366.78B |
| 5:00 PM | India | Infrastructure Output (YoY) (Feb) | | | 3.4% |
| 7:15 PM | U.S. | Chicago PMI (Mar) | | 56.9 | 57.4 |
| 7:30 PM | U.S. | Michigan Consumer Sentiment (Mar) | | 97.6 | 97.6 |
| 8:30 PM | India | Bank Loan Growth | | | 4.1% |
| 8:30 PM | India | Deposit Growth | | | 12.7% |
| 8:30 PM | India | Foreign Debt (USD) (Q4) | | | 484.3B |

DISCLAIMER

This document has been prepared by ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy and sell any Commodity or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the Commodities to in this document and should consult its own advisors to determine the merits and risks of such an investment.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site.

ICFL (100% Subsidiary Company of Shriram Insight Share Brokers Ltd) shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it.

All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses to access the Service from outside India, he shall be responsible for compliance with foreign and local laws