



COMMODITY REPORT

31 August 2017

ECONOMIC/GLOBAL NEWS

- Crude-oil futures ended lower as gasoline prices rallied to a 2-year high, with traders expecting upcoming government reports to reveal the impact of Hurricane Harvey-related crude production and refinery shutdowns. On the New York Mercantile Exchange, October West Texas Intermediate crude fell 48 cents, or 1%, to settle at \$45.96 a barrel-the lowest finish since July 21. MCX Crude Oil September expiry closed at Rs. 2957 per barrel, down 0.17%.
- China manufacturing sector continued to expand in August, with a PMI score of 51.7, was up from 51.4 in July. The non-manufacturing PMI came in with a score of 53.4, down from 54.5 in the previous month.
- U.S. gross domestic product jumped by 3.0% in the second quarter compared to the previously estimated 2.6% growth.
- U.S. ADP said private sector employment jumped by 237,000 jobs in August following an upwardly revised increase of 201,000 jobs in July.
- The U.S. Energy Information Administration showed that domestic crude supplies dropped by 5.4 million barrels for the week ended Aug. 25. Gasoline stockpiles were unchanged for the week, while distillate stockpiles edged up by 700,000 barrels, according to the EIA.
- U.K. GfK consumer confidence ticked slightly higher in August, with an index score of -10, was up from -12 in July.
- U.K. consumer credit grew at a slower pace of GBP 1.2 billion after rising GBP 1.4 billion in June. The annual growth rate of consumer credit fell to 9.8 percent, the lowest since April 2016.
- Eurozone economic confidence index rose to 111.9 in August from 111.3 in July. The industrial sentiment index improved to 5.1 in August from 4.5 in the previous month. The services confidence index climbed to 14.9 from 14.2 in July. The consumer confidence index came in at -1.5, versus -1.7 in the previous month. The business sentiment index rose marginally to 1.09 from 1.04 in July.
- German consumer price index climbed 1.8% year-on-year in August following 1.7% increase in July. Compared to the previous month, the CPI edged up 0.1% in August. In July, the monthly increases in prices were 0.4%.
- Spain's consumer price inflation increased to a 3-month high of 1.6% in August from 1.5% in July. Month-on-month, consumer prices gained 0.2% versus a 0.1% rise a year ago.
- Japan industrial output fell a seasonally adjusted 0.8% on month in July, following the 2.2% spike in June. On a yearly basis, industrial production climbed 4.7% - down from 5.5% in the previous month.

Index	30-Aug-17	29-Aug-17	Pts. Ch.	% Change
Dow	21892.43	21865.37	27.06	0.12
Nifty	9884.40	9796.05	88.35	0.90
Sensex	31646.46	31388.39	258.07	0.82
USD/INR	64.02	64.02	0.00	0.00
Dollar Index	92.84	92.18	0.66	0.72
Euro/\$1US	1.1891	1.1972	-0.0081	-0.68
\$1US/Yen	110.47	109.75	0.72	0.66
Pound/\$1US	1.2920	1.2920	0.0000	0.00

Market Update

- U.S. stock-market indexes closed higher, with the benchmark S&P 500 posting gains for a fourth straight session after a pair of strong economic reports. The S&P 500 index advanced 11.29 points, or 0.5%, to 2,457.59. The Nasdaq Composite Index outperformed other benchmarks, closing up 66.42 points, or 1%, to 6,368.31.
- Indian market logged modest gains in a range bound trading session. Positive global stocks boosted sentiment on domestic bourses. Domestic stocks saw a gap-up opening triggered by mostly positive Asian stocks.

Currency Update

- The rupee surrendered its early gains to end the session on a flat note at 64.02 against the US dollar today amid the American currency gaining some lost ground against its major rivals overseas. The domestic currency opened higher at 63.97 per dollar against the yesterday's closing of 64.02. It firmed up further to trade at 83.88 during the day. However, towards the close, it showed some weakness due to increased month-end demand from importers and finally settled 64.02. The RBI fixed the reference rate for the dollar at Rs 63.94.
- The dollar held on to its rebound against major rivals, helped in part by stronger-than-expected data on private-sector employment and revised second-quarter gross domestic product figures, as well as by the euro catching its breath after a strong advance. The ICE U.S. Dollar Index rose to 92.8860, up from 92.26. The euro fell to \$1.1893 on Wednesday, down from \$1.1974. The euro fell to \$1.1893, down from \$1.1974, after it broke through the psychologically important \$1.20 barrier. In other currencies, the dollar rose to ¥110.32 against the yen up from ¥109.75, while the British pound changed hands at \$1.2920, just above \$1.2919.

Name of the ETF	Holdings In Tonnes As		%Ch
	30-Aug-17	29-Aug-17	
SPDR Gold ETF	816.43	816.43	0.00
iShares Silver Trust	10363.03	10363.03	0.00

Symbol	30-Aug-17		Ratio
	Close	Close	
Gold v/s Silver	1314	17.503	75.08
Gold v/s Crude Oil	1314	45.96	28.59

Bullion	Closing		% Ch
	30-Aug-17	29-Aug-17	
Gold Oct MCX	29555	29662	-0.36
Gold Dec Comex	1314	1319	-0.36
Silver Dec MCX	40453	40466	-0.03
Silver Dec Comex	17.503	17.516	-0.07
Energy			
Crude Oil Sep MCX	2957	2962	-0.17
Crude Oct Nymex	45.96	46.44	-1.03
Natural Gas Sep MCX	188.90	190.80	-1.00
Nat. Gas Oct Henry Hub	2.939	2.983	-1.48

LME Inventories (In Tonnes)

Base Metals	30-Aug-17	29-Aug-17	Change	% Change
Aluminum	1324325	1324550	-225	-0.02
Copper	223050	233025	-9975	-4.28
Nickel	386550	388440	-1890	-0.49
Lead	148675	148700	-25	-0.02
Zinc	245375	246150	-775	-0.31

Base Metals	Closing		% Ch
	30-Aug-17	29-Aug-17	
Aluminium Sept	133.30	133.55	-0.19
Copper Nov	438.90	440.00	-0.25
Nickel Sept	743.00	750.90	-1.05
Lead Sept	151.80	152.30	-0.33
Zinc Sept	197.30	199.00	-0.85

ECONOMIC CALENDER

Thursday August 31 2017

Time	Country	Event	Actual	Forecast	Previous
4:31 AM	U.K.	GfK Consumer Confidence (Aug)	-10	-13	-12
5:20 AM	Japan	Industrial Production (MoM) (Jul)	-0.8%	-0.5%	2.2%
6:30 AM	China	Manufacturing PMI (Aug)	51.7	51.3	51.4
6:30 AM	China	Non-Manufacturing PMI (Aug)	53.4		54.5
11:30 AM	Germany	German Retail Sales (MoM) (Jul)		-0.4%	1.1%
11:30 AM	Germany	German Retail Sales (YoY) (Jul)		3.5%	1.5%
12:15 PM	France	French CPI (MoM) (Aug)		0.5%	-0.3%
12:15 PM	France	French PPI (MoM) (Jul)			-0.4%
1:25 PM	Germany	German Unemployment Rate (Aug)		5.7%	5.7%
1:25 PM	Germany	German Unemployment Change (Aug)		-6K	-9K
2:30 PM	Eurozone	Core CPI (YoY)		1.2%	1.2%
2:30 PM	Eurozone	CPI (YoY) (Aug)		1.4%	1.3%
2:30 PM	Eurozone	Unemployment Rate (Jul)		9.1%	9.1%
3:30 PM	India	Federal Fiscal Deficit (Jul)			4,416.85B
5:00 PM	India	Infrastructure Output (YoY) (Jul)			0.4%
5:30 PM	India	GDP Quarterly (YoY) (Q1)		6.6%	6.1%
6:00 PM	U.S.	Continuing Jobless Claims		1,950K	1,954K
6:00 PM	U.S.	Initial Jobless Claims		237K	234K
7:15 PM	U.S.	Chicago PMI (Aug)		59.2	58.9
7:30 PM	U.S.	Pending Home Sales (MoM) (Jul)		0.5%	1.5%
8:00 PM	U.S.	Natural Gas Storage		32B	43B

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