

COMMODITY

Report

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ECONOMIC / GLOBAL NEWS

- WTI crude oil prices settled nearly 1% higher as signs of a slowdown in U.S. output, and continued supply outages, prompted traders to increase their bullish bets on oil. On the New York Mercantile Exchange, August West Texas Intermediate crude, the U.S. benchmark, tacked on 70 cents, or 0.95%, to settle at \$74.15 a barrel, for another finish at its highest since November 2014. MCX Crude Oil July expiry closed at Rs. 5086 per barrel, up 0.22%.
- China Caixin manufacturing sector continued to expand in June, with a manufacturing PMI score of 51.0. That's down from 51.1 in May.
- China's official manufacturing PMI fell to 51.5 in June, from 51.9 in May. The official non-manufacturing PMI rising to 55.0 in June from 54.9 the previous month.
- U.S. Michigan's consumer confidence index was revised down to 98.2 in June from 99.3 in May.
- U.S. MNI Indicators said its Chicago business barometer climbed to 64.1 in June from 62.7 in May.
- U.K. gross domestic product grew 0.2% sequentially in the first quarter, which was revised upward by 0.1 percentage points. Nonetheless, the pace of growth was weaker than the 0.4% seen in the fourth quarter of 2017. On a yearly basis, GDP growth slowed to 1.2%, as initially estimated, from revised 1.3% in the previous quarter.
- U.K. current account deficit narrowed to GBP 17.7 billion in the first quarter from a revised GBP 19.5 billion in the fourth quarter.
- U.K. index of services rose 0.2%, lower than the prior reading of 0.3%.
- Eurozone inflation rose to 2% in June, from 1.9% in May. Core inflation eased slightly to 1% from 1.1% in May.
- Germany's jobless rate held steady at 5.2% in June. The number of people out of work decreased 15,000 in June.
- Germany's retail sales decreased unexpectedly by 1.6% annually in May after climbing 1% in April. On a monthly basis, retail sales decreased by more-than-expected 2.1%, reversing a 1.6% rise in April.
- Germany's import prices climbed 3.2% year-over-year in May, well above the 0.6% rise in April. On a monthly basis, import prices rose 1.6% from April, when it gained by 0.6%.
- France's consumer price inflation rose to 2.1% in June from 2% in May. On a monthly basis, the consumer price index gained only 0.1% after rising 0.4% in May.
- France's producer prices in domestic market advanced 0.6% on month in May, in contrast to a 0.8% fall in April.
- Japan Nikkei manufacturing sector continued to expand in June, with a manufacturing PMI score of 53.0. That's up from 52.8 in May.

INDEX	29-JUNE-18	28-JUNE-18	PTS. CH.	% CHANGE
Dow	24271.41	24216.05	55.36	0.23
Nifty	10714.30	10589.10	125.20	1.18
Sensex	35423.48	35037.64	385.84	1.10
USD/INR	68.47	68.79	-0.32	-0.47
Dollar Index	94.35	95.10	-0.75	-0.79
Euro/\$1US	1.1685	1.1569	0.0116	1.00
\$1US/¥en	110.68	110.50	0.18	0.16
Pound/\$1US	1.3209	1.3078	0.0131	1.00

MARKET UPDATE

- U.S. stocks closed higher even as the earlier rally in financial shares flamed out, but for the week, all major benchmarks finished lower due to ongoing trade war-related jitters. The S&P 500 index rose 2.06 points to 2,718.37. The Nasdaq Composite Index climbed 6.62 points to 7,510.30.
- Indian market settled with strong gains following a recovery in global stocks. Market sentiment across the globe was negative over the past few weeks on worries of escalating US-China trade war.

CURRENCY UPDATE

- A popular gauge for the U.S. dollar against major rivals is on track for a 5% jump in the second quarter, its strongest and first positive quarterly performance since late 2016. In the year so far, the ICE U.S. Dollar Index has gained 2.7%, while the euro has fallen almost 3% in the same period. The WSJ Dollar Index strengthened 2.5% this year. The index was last down 0.8% at 94.647. Meanwhile, the euro rallied to \$1.1668, 0.9% higher. The British pound, which shot up to \$1.3189 from \$1.3078.
- After crashing to life-time lows, the rupee staged a spirited recovery to end higher by 32 paise at 68.47 against the US dollar today in line with a big relief rally in domestic equities. The Indian currency had suffered its worst drubbing and crumbled to hit a fresh all-time low of 69.10 against the benchmark currency US dollar before staging some recovery. The interbank foreign exchange (forex) market, the home currency opened sharply higher at 68.70 against overnight close of 68.79 on fresh selling of the American currency by banks and exporters. Keeping the overall bullish trend, it touched a session high of 68.35 in late morning deals before concluding at 68.47, showing a steep rise of 32 paise, or 0.47%. The RBI, meanwhile, fixed the reference rate for the dollar at 68.5753 and for the euro at 79.8491.

BULLION	CLOSING		% CH
	29-JUNE-18	28-JUNE-18	
Gold Aug MCX	30432	30508	-0.25
Gold Aug Comex	1255	1251	0.28
Silver Sep MCX	39921	39819	0.26
Silver Sep Comex	16.198	16.041	0.98
ENERGY			
Crude Oil Jul MCX	5086	5075	0.22
Crude Aug Nymex	74.15	73.45	0.95
Natural Gas Jul MCX	200.80	203.10	-1.13
Nat. Gas Aug Henry Hub	2.924	2.940	-0.54

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	29-JUNE-18	28-JUNE-18	
SPDR Gold ETF	819.04	820.51	-0.18
iShares Silver Trust	10029.81	9965.42	0.65

NAME OF THE ETF	CLOSING		RATIO
	29-JUNE-18		
Gold v/s Silver	1255	16.198	77.45
Gold v/s Crude Oil	1255	74.15	16.92

(IN TONS)	LME INVENTORIES DATA			% Change
	29-JUNE-18	28-JUNE-18	Change	
Aluminum	1114125	1112025	2100	0.19
Copper	294525	298250	-3725	-1.25
Nickel	272616	272754	-138	-0.05
Lead	131625	131700	-75	-0.06
Zinc	249300	249325	-25	-0.01

BASE METALS	CLOSING		% CH
	29-JUNE-18	28-JUNE-18	
Aluminium Jul	146.75	148.75	-1.34
Copper Aug	452.30	454.75	-0.54
Nickel Jul	1023.40	1017.40	0.59
Lead Jul	165.55	166.05	-0.30
Zinc Jul	198.00	201.55	-1.76

ECONOMIC CALENDER

MONDAY JULY 02, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
6:00 AM	Japan	Manufacturing PMI (Jun)	53.0	53.1	53.1
7:15 AM	China	Caixin Manufacturing PMI (Jun)	51.0	51.1	51.1
10:30 AM	India	Nikkei Markit Manufacturing PMI (Jun)		51.4	51.2
1:20 PM	France	French Manufacturing PMI (Jun)		53.1	53.1
1:25 PM	Germany	German Manufacturing PMI (Jun)		55.9	55.9
1:30 PM	Eurozone	Manufacturing PMI (Jun)		55.0	55.0
2:00 PM	U.K.	Manufacturing PMI (Jun)		54.1	54.4
2:30 PM	Eurozone	PPI (YoY) (May)		2.4%	2.0%
2:30 PM	Eurozone	PPI (MoM) (May)		0.4%	0.0%
2:30 PM	Eurozone	Unemployment Rate (May)		8.5%	8.5%
5:00 PM	India	Infrastructure Output (YoY) (May)			4.70%
7:15 PM	U.S.	Manufacturing PMI (Jun)		54.6	54.6
7:30 PM	U.S.	ISM Manufacturing PMI (Jun)		58.2	58.7

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