

COMMODITY

Report

05 July 2018



SHRIRAM INSIGHT SHARE BROKERS LIMITED

Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953,
E-mail : research@shriraminsight.com

EVERYTHING YOU
NEED TO KNOW
ABOUT THE COMMODITY



Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953, E-mail : research@shriraminsight.com

ECONOMIC / GLOBAL NEWS

- Oil prices edged up following a report of tightening US fuel inventories amid an outage at Syncrude Canada oil sands facility in Alberta, which usually supplies the United States. Prices were also pushed up by looming US sanctions against Iran, which threaten to cut supplies to an already tight market despite pledges by producer cartel OPEC to raise output to make up for the disruptions. MCX Crude Oil July expiry closed at Rs. 5126 per barrel, up 0.91%.
- U.K. IHS Markit/CIPS services PMI improved to 55.1 in June from 54.0 in May.
- Eurozone composite output index rose to 54.9 in June from 54.1 in May. The services PMI climbed to 55.2 in June from a 16-month low of 53.8 a month ago.
- Germany's composite output index rose to 54.8 in June from 53.4 in May. The services PMI came in at a 4-month high of 54.5 versus 52.1 a month ago.
- France's composite PMI improved to 55.0 in June from 54.2 in May. Similarly, the services PMI rose to 55.9 from May's 16-month low of 54.3.
- Italy's IHS Markit services PMI rose to 53.1 in May from 52.6 in April.
- Spain's IHS Markit services PMI dropped 55.4 in June from 56.4 in May.
- Hong Kong's seasonally adjusted services PMI dropped to 47.7 in June from 47.8 in May.
- India's headline Nikkei services PMI climbed to 52.6 in June from 49.6 in May. The Nikkei Composite Output Index rose to 53.3 in June from 50.4 in the prior month.

INDEX	04-JULY-18	03-JULY-18	PTS. CH.	% CHANGE
Dow	CLOSED	24172.87	-	-
Nifty	10769.90	10699.90	70.00	0.65
Sensex	35645.40	35378.60	266.80	0.75
USD/INR	68.74	68.58	0.16	0.23
Dollar Index	94.19	94.41	-0.22	-0.23
Euro/\$1US	1.1660	1.1657	0.0003	0.03
\$1US/Yen	110.50	110.59	-0.09	-0.08
Pound/\$1US	1.3228	1.3193	0.0035	0.27

MARKET UPDATE

- U.S. market closed on **3rd July, 2018** on account of "Independence Day".
- Indian market settled with modest gains. Upbeat June services PMI data boosted sentiment on the domestic bourses.

CURRENCY UPDATE

- The dollar dipped against a currency basket in thin trade ahead of the U.S. Independence Day holiday as concerns over heightened trade tensions remained to the forefront. The U.S. dollar index was down 0.11% to 94.23. The euro was trading water, with last at 1.1665, little changed. The dollar drifted lower against the yen, with sliding 0.16% to 110.39. The pound edged higher, with up 0.11% to 1.3209.
- After strong overnight recovery, the Indian rupee reversed most of its gains towards the fag-end session, losing 17 paise at 68.74 against the US dollarNSE 0.45 % amid rising crude oil prices and inflationary concerns after MSP hike for kharif crops by the government. In a session marked by wide swings and volatility, the home currency touched a high of 68.45 and low of 68.77. The rupee commenced higher at 68.52 against overnight close of 68.57 at the Interbank Foreign Exchange (forex) market and gained further to hit an intra-day high of 68.45 in early morning deals on sustained dollar selling by exporters and banks. Falling to a session low of 68.77 towards the fag-end trade, the Indian unit finally settled the day at 68.74, showing a loss of 16 paise, or 0.23%. The RBI fixed the reference rate for the dollar at 68.5312.

BULLION	CLOSING		% CH
	04-JULY-18	03-JULY-18	
Gold Aug MCX	30614	30493	0.40
Gold Aug Comex	CLOSED	1254	-
Silver Sep MCX	39919	39710	0.53
Silver Sep Comex	CLOSED	16,043	-
ENERGY			
Crude Oil Jul MCX	5126	5080	0.91
Crude Aug Nymex	CLOSED	74.14	-
Natural Gas Jul MCX	196.20	198.40	-1.11
Nat. Gas Aug Henry Hub	CLOSED	2.870	-

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	03-JULY-18	02-JULY-18	
SPDR Gold ETF	803.42	809.31	-0.73
iShares Silver Trust	10072.40	10029.81	0.42

NAME OF THE ETF	CLOSING		RATIO
	03-JULY-18		
Gold v/s Silver	1254	16.043	78.13
Gold v/s Crude Oil	1254	74.14	16.91

(IN TONS)	LME INVENTORIES DATA			% Change
	04-JULY-18	03-JULY-18	Change	
Aluminum	1104600	1108900	-4300	-0.39
Copper	282225	286525	-4300	-1.50
Nickel	269166	269898	-732	-0.27
Lead	131175	131675	-500	-0.38
Zinc	249025	249250	-225	-0.09

BASE METALS	CLOSING		% CH
	04-JULY-18	03-JULY-18	
Aluminium Jul	144.70	146.05	-0.92
Copper Aug	437.85	450.75	-2.86
Nickel Jul	970.90	1001.60	-3.07
Lead Jul	160.55	164.75	-2.55
Zinc Jul	187.80	196.35	-4.35

ECONOMIC CALENDER

THURSDAY JULY 05, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
11:30 AM	Germany	German Factory Orders (MoM) (May)		1.1%	-2.5%
1:40 PM	Eurozone	Retail PMI			51.7
5:00 PM	India	M3 Money Supply			10.4%
5:45 PM	U.S.	ADP Nonfarm Employment Change (Jun)		190K	178K
6:00 PM	U.S.	Continuing Jobless Claims		1,720K	1,705K
6:00 PM	U.S.	Initial Jobless Claims		231K	227K
7:15 PM	U.S.	Markit Composite PMI (Jun)		56.0	56.0
7:15 PM	U.S.	Services PMI (Jun)		56.5	56.5
7:30 PM	U.S.	ISM Non-Manufacturing PMI (Jun)		58.3	58.6
8:30 PM	U.S.	Crude Oil Inventories		-5.200M	-9.891M
8:30 PM	U.S.	EIA Weekly Distillates Stocks		-0.545M	0.015M
8:30 PM	U.S.	Gasoline Inventories		-0.817M	1.156M
11:30 PM	U.S.	FOMC Meeting Minutes			

DISCLAIMER

This document has been prepared by 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 any security 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. Shriram Insight Share Brokers Ltd stock 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 securities of companies referred to in this document and should consult its own advisors to determine the merits and risks of such an investment.

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

Shriram Insight Share Brokers Ltd and its affiliated company (ies), their directors and employees may;

- (a) from time to time, having a long or short position in, and buy or sell the securities of the company (ies) recommended.
- (b) be engaged in any other transaction involving such securities and act as a market maker in the securities of the company (ies) or lender / borrower to such company (ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

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