

COMMODITY

Report

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ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Oil futures fell, with benchmark U.S. prices suffering from a drop to their lowest finish in just over a week, after data revealed a surprise run-up in domestic crude inventories—the first in a month. August West Texas Intermediate crude on the New York Mercantile Exchange fell \$1.20, or 1.6%, to settle at \$72.94 a barrel. The Energy Information Administration report Thursday that showed crude stockpiles rose by 1.2 million barrels for the week ended June 29. Gasoline stockpiles declined by 1.5 million barrels for the week, while distillate stockpiles were up by 100,000 barrels for the week. MCX Crude Oil July expiry closed at Rs. 5039 per barrel, down 1.70%.
- Federal Reserve intends to press ahead with interest rate hikes despite mounting concerns about a possible trade war, according to the minutes of the Fed's June meeting. At that meeting, the Fed raised rates and projected four rate increases in 2018 instead of three previously planned. The central bank, however, maintained its outlook for three rate hikes in 2019. "Negative risks to economy from U.S. trade policy have intensified," the minutes showed.
- U.S. initial jobless claims inched up to 231,000 in the week ended June 30th, an increase of 3,000 from the previous week's revised level of 228,000. Continuing claims climbed to 1,739,000, an increase of 32,000 from the previous week's revised level of 1,707,000.
- U.S. ADP said private sector employment climbed by 177,000 jobs in June after jumping by an upwardly revised 189,000 jobs in May.
- U.S. seasonally adjusted final IHS Markit services business activity Index registered 56.5 in June. Although down slightly from 56.8 in May. At 56.2 in June, the final seasonally adjusted IHS Markit U.S. composite PMI output index fell slightly from 56.6 in May.
- U.S. ISM said its non-manufacturing index rose to 59.1 in June after climbing to 58.6 in May.
- Germany's factory orders grew 2.6% month-on-month in May, in contrast to a revised 1.6% drop in April.
- Spain's industrial production advanced 1.6% annually in May, weaker than the 2.1% increase seen in April.

INDEX	05-JULY-18	04-JULY-18	PTS. CH.	% CHANGE
Dow	24358.44	CLOSED	-	-
Nifty	10749.75	10769.90	-20.15	-0.19
Sensex	35574.55	35645.40	-70.85	-0.20
USD/INR	68.95	68.74	0.21	0.31
Dollar Index	94.13	94.41	-0.28	-0.30
Euro/\$1US	1.1692	1.1656	0.0036	0.31
\$1US/¥en	110.56	110.47	0.09	0.08
Pound/\$1US	1.3222	1.3233	-0.0011	-0.08

MARKET UPDATE

- U.S. U.S. stocks closed solidly higher, with major indexes advancing in a broad rally that was led by the technology sector, which enjoyed its best session in more than a month. The S&P 500 added 23.39 points to 2,736.61, a gain of 0.9%. The Nasdaq Composite Index rose 83.75 points, or 1.2%, to 7,586.43.
- Indian market fell modestly to snap a two-day winning streak as caution crept in ahead of the July 6 deadline, when U.S. tariffs on Chinese goods are due to take effect.

CURRENCY UPDATE

- The U.S. dollar maintained a mixed performance versus major rivals Thursday, leaving a closely followed index in negative territory after minutes of the Federal Reserve's June meeting showed policy makers fretting over intensifying trade disputes but not inclined to put planned rate increases on pause. The ICE U.S. Dollar index was down 0.3% at 94.406. The euro last bought \$1.1691, up slightly from \$1.1657 late in the previous session after earlier trading above \$1.17. The U.S. currency rose 0.1% versus its Japanese counterpart to fetch 110.63 yen.
- The Indian rupee tumbled for the second straight session to hit a fresh closing low of 68.95, sliding by 21 paise following a panic demand for the US dollar coupled with savage capital flight worries. At the Interbank Foreign Exchange (forex) market, the domestic unit opened sharply lower at 68.80 from Wednesday's close of 68.74. Succumbing to intense selling pressure, it later fell sharply to hit a session's low of 69.01 in mid-afternoon deals before concluding the day at 68.95, revealing a loss of 21 paise or 0.31 paise. The RBI fixed the reference rate for the dollar at 68.7545.

BULLION	CLOSING		% CH
	05-JULY-18	04-JULY-18	
Gold Aug MCX	30650	30614	0.12
Gold Aug Comex	1259	CLOSED	-
Silver Sep MCX	39881	39919	-0.10
Silver Sep Comex	16.097	CLOSED	-
ENERGY			
Crude Oil Jul MCX	5039	5126	-1.70
Crude Aug Nymex	72.94	CLOSED	-
Natural Gas Jul MCX	196.50	196.20	0.15
Nat. Gas Aug Henry Hub	2.837	CLOSED	-

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	05-JULY-18	03-JULY-18	
SPDR Gold ETF	803.42	803.42	0.00
iShares Silver Trust	10087.04	10072.40	0.15

NAME OF THE ETF	CLOSING		RATIO
	05-JULY-18		
Gold v/s Silver	1259	16.097	78.20
Gold v/s Crude Oil	1259	72.94	17.26

(IN TONS)	LME INVENTORIES DATA			% Change
	05-JULY-18	04-JULY-18	Change	
Aluminum	1106600	1104600	2000	0.18
Copper	279000	282225	-3225	-1.14
Nickel	268392	269166	-774	-0.29
Lead	131175	131175	0	0.00
Zinc	249025	249025	0	0.00

BASE METALS	CLOSING		% CH
	05-JULY-18	04-JULY-18	
Aluminium Jul	143.70	140.70	2.13
Copper Aug	433.50	421.60	2.82
Nickel Jul	977.00	941.70	3.75
Lead Jul	163.15	156.10	4.52
Zinc Jul	187.30	180.20	3.94

ECONOMIC CALENDER

FRIDAY JULY 06, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
11:30 AM	Germany	German Industrial Production (MoM) (May)		0.3%	-1.0%
12:15 PM	France	French Current Account (May)			-1.10B
12:15 PM	France	French Exports (May)			41.6B
12:15 PM	France	French Imports (May)			46.5B
12:15 PM	France	French Trade Balance (May)		-5.1B	-5.0B
1:00 PM	U.K.	Halifax House Price Index (MoM) (Jun)		0.3%	1.5%
1:00 PM	U.K.	Halifax House Price Index (YoY) (Jun)		1.8%	1.9%
5:00 PM	India	Bank Loan Growth			12.7%
5:00 PM	India	Deposit Growth			8.4%
5:00 PM	India	FX Reserves, USD			407.82B
6:00 PM	U.S.	Exports			211.25B
6:00 PM	U.S.	Imports			257.44B
6:00 PM	U.S.	Nonfarm Payrolls (Jun)		200K	223K
6:00 PM	U.S.	Private Nonfarm Payrolls (Jun)		190K	218K
6:00 PM	U.S.	Trade Balance (May)		-43.70B	-46.20B
6:00 PM	U.S.	Unemployment Rate (Jun)		3.8%	3.8%
8:00 PM	U.S.	Natural Gas Storage		75B	66B

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