

COMMODITY

Report

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EVERYTHING YOU
NEED TO KNOW
ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Oil prices settled at their lowest levels in about a week as a major storm that passed through the Gulf of Mexico missed the bulk of the oil and natural-gas operations in the region. October West Texas Intermediate crude on the New York Mercantile Exchange, the U.S. oil benchmark, fell \$1.15, or nearly 1.65%, to settle at \$68.72 a barrel. MCX Crude Oil September expiry closed at Rs. 4934 per barrel, down 1.56%.
- U.S. trade deficit widened to \$50.1 billion in July from a revised \$45.7 billion in June. Exports dropped by 1% to \$211.1 billion in July from \$213.2 billion in June while the value of imports climbed by 0.9% to \$261.2 billion in July from \$258.9 billion in June.
- The American Petroleum Institute reported that U.S. crude supplies fell 1.2 million barrels for the week ended Aug. 31. Gasoline supplies rose 1 million barrels and distillate stockpiles climbed by 1.8 million barrels.
- U.K. IHS Markit/CIPS services PMI rose to 54.3 in August from 53.5 in July.
- Eurozone retail sales fell 0.2% month-on-month in July, in contrast to a 0.3% rise in June. On a yearly basis, retail sales growth eased to 1.1% from 1.5% in June.
- Eurozone composite output index rose to 54.5 in August from July's 54.3. The services Purchasing Managers' Index came in at 54.4, and up from 54.2 in July.
- Germany's composite PMI climbed to 55.6 in August from 55.0 a month ago. The services PMI improved to a 6-month high of 55.0 from 54.1.
- France's final composite PMI came in at 54.9 in August versus 54.4 in July. At the same time, the services PMI rose to 55.4 in August from 54.9 in July but below the flash 55.7.
- Australia's trade surplus fell to a seasonally adjusted A\$1.55 billion in July from A\$1.94 billion in June. Exports dropped 1% from the previous month, while imports remained broadly unchanged in July.
- India's Nikkei composite output index dropped to 51.9 in August from July's 21-month high of 54.1. The services PMI declined to 51.5 in August from 21-month peak of 54.2 in July.

INDEX	05-SEP-18	04-SEP-18	PTS. CH.	% CHANGE
Dow	25975.67	25952.48	23.19	0.09
Nifty	11476.95	11520.30	-43.35	-0.38
Sensex	38018.31	38157.92	-139.61	-0.37
USD/INR	71.75	71.57	0.18	0.25
Dollar Index	95.07	95.38	-0.31	-0.33
Euro/\$1US	1.1635	1.1582	0.0053	0.46
\$1US/Yen	111.45	111.45	0.00	0.00
Pound/\$1US	1.2914	1.2856	0.0058	0.45

MARKET UPDATE

- U.S. stocks closed mostly lower with the technology sector logging its worst single-day decline since late July, triggering an outsize drop in the Nasdaq. The S&P 500 index lost 8.12 points, or 0.3%, to 2,888.60, with the tech sector slumping 1.5%, its biggest daily drop since July 30. The Nasdaq Composite Index fell 96.07 points, or 1.2%, to 7,995.17.
- Indian market logged modest losses in a highly volatile session of trade amid negative global cues. The Sensex regained the psychological 38,000 mark after sliding below that level in intraday trade. Global stocks dropped as heightened worries over international trade conflicts curbed investor appetite for riskier assets.

CURRENCY UPDATE

The British pound surged by more than 1% into positive territory against the dollar after Germany and the U.K. were ready to accept less detail on the future economic ties between Britain and the European Union. Sterling's move moderated as the session progressed, with the pound buying \$1.2901, compared with \$1.2854. The ICE U.S. Dollar Index was last down 0.3% at 95.191. The dollar's main rival, the euro was up at \$1.1626 from \$1.1583 late Tuesday in New York.

The Indian rupee's unabated fall continued for the sixth straight session, hitting yet another closing low of 71.75, down 18 paise against the US currency as surging oil prices and weak trend in emerging market currencies weighed on sentiments. The home currency Wednesday opened higher by 18 paise at 71.40 a dollar. At the inter-bank foreign exchange (forex) market, the rupee resumed higher at 71.40 against overnight close of 71.57 on fresh bouts of dollar selling by state-run banks. After hitting a fresh record low of 71.97, the rupee managed to pull back early steep losses before ending at 71.75, showing a fall of 18 paise, or 0.25%. The Financial Benchmarks India private limited fixed the reference rate for the dollar at 71.7533.

BULLION	CLOSING		% CH
	05-SEP-18	04-SEP-18	
Gold Oct MCX	30315	30178	0.45
Gold Dec Comex	1201	1199	0.18
Silver Dec MCX	37035	36854	0.49
Silver Dec Comex	14.220	14.180	0.28
ENERGY			
Crude Oil Sep MCX	4934	5012	-1.56
Crude Oct Nymex	68.72	69.87	-1.65
Natural Gas sep MCX	200.70	203	-0.89
Nat. Gas Oct Henry Hub	2.795	2.823	-0.99

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	05-SEP-18	04-SEP-18	
SPDR Gold ETF	746.92	746.92	0.00
iShares Silver Trust	10255.10	10259.67	-0.04

NAME OF THE ETF	CLOSING		RATIO
	05-SEP-18		
Gold v/s Silver	1201	14.220	84.48
Gold v/s Crude Oil	1201	68.72	17.48

(IN TONS)	LME INVENTORIES DATA			% Change
	05-SEP-18	04-SEP-18	Change	
Aluminum	1064450	1067075	-2625	-0.25
Copper	262100	262900	-800	-0.30
Nickel	237030	237984	-954	-0.40
Lead	121500	121925	-425	-0.35
Zinc	236900	237425	-525	-0.22

BASE METALS	CLOSING		% CH
	05-SEP-18	04-SEP-18	
Aluminium Sep	147.10	146.70	0.27
Copper Nov	419.65	415.75	0.94
Nickel Sep	894.20	891.90	0.26
Lead Sep	146.35	147.90	-1.05
Zinc Sep	174.35	173.30	0.61

ECONOMIC CALENDER

THURSDAY SEPTEMBER 06 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	API Weekly Crude Oil Stock	-1.200M	-4.212M	0.038M
7:00 AM	Australia	Exports (MoM) (Jul)	-1%		3%
7:00 AM	Australia	Imports (MoM) (Jul)	0%		-1%
7:00 AM	Australia	Trade Balance (Jul)	1.551B	1.460B	1.873B
11:30 AM	Germany	German Factory Orders (MoM) (Jul)		1.6%	-4.0%
5:45 PM	U.S.	ADP Nonfarm Employment Change (Aug)		188K	219K
6:00 PM	U.S.	Continuing Jobless Claims		1,710K	1,708K
6:00 PM	U.S.	Initial Jobless Claims		214K	213K
7:15 PM	U.S.	Markit Composite PMI (Aug)		55.0	55.0
7:15 PM	U.S.	Services PMI (Aug)		55.2	55.2
7:30 PM	U.S.	Durable Goods Orders (MoM)			-1.7%
7:30 PM	U.S.	Factory Orders (MoM) (Jul)		-0.6%	0.7%
7:30 PM	U.S.	ISM Non-Manufacturing PMI (Aug)		57.0	55.7
8:00 PM	U.S.	Natural Gas Storage		62B	70B
8:30 PM	U.S.	Crude Oil Inventories		-1.294M	-2.566M
8:30 PM	U.S.	EIA Weekly Distillates Stocks		0.742M	-0.837M
8:30 PM	U.S.	Gasoline Inventories		-0.810M	-1.554M

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