

# COMMODITY

## Report

07 September 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Oil declined, with U.S. prices at their lowest settlement in more than two weeks, pressured by concerns over a potential decline in global demand on the back of the U.S. trade dispute with China and economic woes in emerging markets. October West Texas Intermediate crude, the U.S. oil benchmark, lost 95 cents, or 1.38%, to settle at \$67.77 a barrel on the New York Mercantile Exchange. The Energy Information Administration reported that domestic crude supplies fell by 4.3 million barrels for the week ended Aug. 31. Gasoline stockpiles rose 1.8 million barrels for the week, while distillate stockpiles added 3.1 million barrels, according to the EIA. MCX Crude Oil September expiry closed at Rs. 4884 per barrel, down 1.01%.
- U.S. initial jobless claims dipped to 203,000 in the week ended September 1st, a decrease of 10,000 from the previous week's unrevised level of 213,000. Continuing claims edged down by 3,000 to 1.707 million in the week ended August 25th.
- U.S. ADP said private sector employment climbed by 163,000 jobs in August after jumping by a revised 217,000 jobs in July.
- U.S. seasonally adjusted final IHS Markit services business activity Index registered 54.8 in August, down from 56.0 in July. At 54.7 in August, the final seasonally adjusted IHS Markit U.S. Composite PMI- Output Index fell from 55.7 in July.
- U.S. ISM said its non-manufacturing index jumped to 58.5 in August from 55.7 in July
- U.S. factory orders fell by 0.8% in July after climbed by a downwardly revised 0.6% in June.
- The U.S. Energy Information Administration reported that domestic supplies of natural gas rose by 63 billion cubic feet for the week ended August 31. Total stocks now stand at 2.568 trillion cubic feet, down 643 billion cubic feet from a year ago, and 590 billion below the five-year average, the government said.
- Germany's factory orders fell 0.9% in July from June, slower than the 3.9% decline seen in June. On a yearly basis, factory orders fell 0.9% after easing 0.8% in June.

INDEX	06-SEP-18	05-SEP-18	PTS. CH.	% CHANGE
<b>Dow</b>	25995.94	25975.67	<b>20.27</b>	<b>0.08</b>
<b>Nifty</b>	11536.90	11476.95	<b>59.95</b>	<b>0.52</b>
<b>Sensex</b>	38242.81	38018.31	<b>224.50</b>	<b>0.59</b>
<b>USD/INR</b>	71.98	71.75	<b>0.23</b>	<b>0.32</b>
<b>Dollar Index</b>	94.99	95.12	<b>-0.13</b>	<b>-0.14</b>
<b>Euro/\$1US</b>	1.1620	1.1629	<b>-0.0009</b>	<b>-0.08</b>
<b>\$1US/¥en</b>	110.49	111.53	<b>-1.04</b>	<b>-0.93</b>
<b>Pound/\$1US</b>	1.2925	1.2904	<b>0.0021</b>	<b>0.16</b>

## MARKET UPDATE

- The S&P 500 and the Nasdaq finished lower for a third session on mounting concerns about contagion from a handful of struggling emerging economies on top of unresolved trade tension. The S&P 500 index shed 10.55 points, or 0.4%, to 2,878.05 and the Nasdaq Composite Index slid 72.45 points, or 0.9%, to 7,922.73.
- Indian market ended the volatile session higher. Shares regained some lost ground on Thursday after declining sharply in the past few sessions.

## CURRENCY UPDATE

A popular gauge of the U.S. dollar retreated slightly in subdued action with investor focus fixed in part this week on the U.S. job market. The ICE U.S. Dollar Index was down 0.2% at 95.033. The buck's major rival-the euro was slightly weaker at \$1.1625 versus \$1.1630. The pound last bought \$1.2934, compared with \$1.2906. The dollar meanwhile bought ₹110.86.

The Indian rupee extended its fall for a seventh straight session, closing at yet another record low of 71.99, down 23 paise against the dollar. Rising oil prices and weak sentiment in other emerging market currencies hit forex market sentiment. Earlier in the day, the rupee resumed higher at 71.65 against yesterday's closing of 71.75 the interbank foreign exchange market.

BULLION	CLOSING		% CH
	06-SEP-18	05-SEP-18	
<b>Gold Oct MCX</b>	30547	30315	<b>0.77</b>
<b>Gold Dec Comex</b>	1204	1201	<b>0.25</b>
<b>Silver Dec MCX</b>	37151	37035	<b>0.31</b>
<b>Silver Dec Comex</b>	14.181	14.220	<b>-0.27</b>
<b>ENERGY</b>			
<b>Crude Oil Sep MCX</b>	4884	4934	<b>-1.01</b>
<b>Crude Oct Nymex</b>	67.77	68.72	<b>-1.38</b>
<b>Natural Gas sep MCX</b>	200.20	201	<b>-0.25</b>
<b>Nat. Gas Oct Henry Hub</b>	2.772	2.795	<b>-0.82</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	06-SEP-18	05-SEP-18	
<b>SPDR Gold ETF</b>	746.92	746.92	<b>0.00</b>
<b>iShares Silver Trust</b>	10348.67	10255.10	<b>0.91</b>

NAME OF THE ETF	CLOSING		RATIO
	06-SEP-18		
<b>Gold v/s Silver</b>	1204	14.181	<b>84.92</b>
<b>Gold v/s Crude Oil</b>	1204	67.77	<b>17.77</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	06-SEP-18	05-SEP-18	Change	
<b>Aluminum</b>	1062700	1064450	-1750	-0.16
<b>Copper</b>	254350	262100	-7750	-2.96
<b>Nickel</b>	236706	237030	-324	-0.14
<b>Lead</b>	121625	121500	125	0.10
<b>Zinc</b>	235650	236900	-1250	-0.53

BASE METALS	CLOSING		% CH
	06-SEP-18	05-SEP-18	
<b>Aluminium Sep</b>	146.05	147.10	-0.71
<b>Copper Nov</b>	424.40	419.65	1.13
<b>Nickel Sep</b>	896.20	894.20	0.22
<b>Lead Sep</b>	146.85	146.35	0.34
<b>Zinc Sep</b>	176.50	174.35	1.23

## ECONOMIC CALENDER

### FRIDAY SEPTEMBER 07 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
11:30 AM	Germany	<b>German Exports (MoM) (Jul)</b>		0.2%	0.1%
11:30 AM	Germany	<b>German Imports (MoM) (Jul)</b>		0.1%	1.3%
11:30 AM	Germany	<b>German Industrial Production (MoM) (Jul)</b>		0.2%	-0.7%
11:30 AM	Germany	<b>German Trade Balance (Jul)</b>		19.5B	19.3B
12:15 PM	France	<b>French Current Account (Jul)</b>			-2.30B
12:15 PM	France	<b>French Exports (Jul)</b>			40.9B
12:15 PM	France	<b>French Imports (Jul)</b>			47.2B
12:15 PM	France	<b>French Industrial Production (MoM) (Jul)</b>		0.2%	0.6%
12:15 PM	France	<b>French Trade Balance (Jul)</b>		-5.7B	-6.3B
1:00 PM	U.K.	<b>Halifax House Price Index (YoY) (Aug)</b>		3.9%	3.3%
1:00 PM	U.K.	<b>Halifax House Price Index (MoM) (Aug)</b>		-0.3%	1.4%
1:30 PM	China	<b>FX Reserves (USD)</b>		3.110T	3.118T
2:30 PM	Eurozone	<b>GDP (YoY) (Q2)</b>		2.2%	2.2%
2:30 PM	Eurozone	<b>GDP (QoQ) (Q2)</b>		0.4%	0.4%
Tentative	Eurozone	<b>Eurogroup Meetings</b>			
5:00 PM	India	<b>FX Reserves, USD</b>			401.29B
6:00 PM	U.S.	<b>Nonfarm Payrolls (Aug)</b>		191K	157K
6:00 PM	U.S.	<b>Private Nonfarm Payrolls (Aug)</b>		190K	170K
6:00 PM	U.S.	<b>Unemployment Rate (Aug)</b>		3.8%	3.9%

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