

# COMMODITY

## Report

10 July 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Natural gas prices edged lower, as the 8-14 day forecast moderated. August natural gas shed nearly 1.1% to settle at \$2.828 per million British thermal units. MCX Natural Gas July expiry closed at Rs. 194.50 per British thermal unit, down 1.12%.
- China consumer prices were up 1.9% on year in June, up from 1.8% in May. On a monthly basis, consumer prices eased 0.1% after sliding 0.2% in the previous month. The producer prices jumped an annual 4.7%, up from 4.1% a month earlier.
- China's foreign exchange reserves increased \$1.51 billion to \$3.112 trillion in June.
- U.S. consumer credit surged up by \$24.6 billion in May after climbing by an upwardly revised \$10.3 billion in April.
- Eurozone Sentix investor confidence rose to 12.1 in July from 9.3 in June.
- Germany's exports grew by more-than-expected 1.8% on a monthly basis in May, reversing a 0.3% drop in April. Meanwhile, imports rose at a slower pace of 0.7% after climbing 2.6% in the previous month. As a result, the trade surplus rose to a seasonally adjusted EUR 20.3 billion from EUR 19 billion in April.
- Switzerland's jobless rate dropped to a seasonally adjusted 2.6% in June from 2.7% in May. On an unadjusted basis, the unemployment rate came in at 2.4%, the same as in May. The number of unemployed decreased by 2,813 from last month to 106,579 in June.

INDEX	09-JULY-18	06-JULY-18	PTS. CH.	% CHANGE
<b>Dow</b>	24776.59	24456.48	<b>320.11</b>	<b>1.31</b>
<b>Nifty</b>	10852.90	10772.65	<b>80.25</b>	<b>0.74</b>
<b>Sensex</b>	35934.72	35657.86	<b>276.86</b>	<b>0.78</b>
<b>USD/INR</b>	68.72	68.87	<b>-0.15</b>	<b>-0.22</b>
<b>Dollar Index</b>	93.80	93.77	<b>0.03</b>	<b>0.03</b>
<b>Euro/\$1US</b>	1.1756	1.1747	<b>0.0009</b>	<b>0.08</b>
<b>\$1US/Yen</b>	110.95	110.46	<b>0.49</b>	<b>0.44</b>
<b>Pound/\$1US</b>	1.3254	1.3285	<b>-0.0031</b>	<b>-0.23</b>

## MARKET UPDATE

- The Dow had its best day in a month, jumping by triple digits to close higher for a third straight session, as U.S. stocks posted a broad rally, with strong economic data appearing to offset worries about rising trade tensions. The S&P 500 rose 24.35 points, or 0.9%, to 2,784.17, while the Nasdaq Composite Index climbed 67.81 points, or 0.9%, to 7,756.20.
- Indian market closed higher as investors put trade worries on the back burner and shifted focus to the upcoming earnings season.

## CURRENCY UPDATE

- Britain's pound was in focus, first rallying after the resignation of U.K. Brexit Secretary David Davis, but then falling after Foreign Secretary Boris Johnson also quit. The pound fell to \$1.3247 from \$1.3287. The ICE U.S. Dollar index was last up 0.1% at 94.097.
- The rupee appreciated further by 15 paise against the US dollar to close at 68.72 on sustained dollar selling by exporters and banks amid a stellar rally in local equities and losses in the greenback. Maintaining its recovery trend, the domestic unit resumed sharply higher at 68.57 against previous close of 68.87 at the Interbank Foreign Exchange (forex) market. However, the domestic currency was unable to capitalise on strong early gains and gradually gave up towards the fag-end trade to hit a session low of 68.80 before ending at 68.72, showing a gain of 15 paise, or 0.22%. The RBI fixed the reference rate for the dollar at 68.7545.

BULLION	CLOSING		% CH
	09-JULY-18	06-JULY-18	
<b>Gold Aug MCX</b>	30617	30560	<b>0.19</b>
<b>Gold Aug Comex</b>	1260	1256	<b>0.30</b>
<b>Silver Sep MCX</b>	39885	39766	<b>0.30</b>
<b>Silver Sep Comex</b>	16.139	16.069	<b>0.44</b>
<b>ENERGY</b>			
<b>Crude Oil Jul MCX</b>	5049	5075	<b>-0.51</b>
<b>Crude Aug Nymex</b>	73.85	73.80	<b>0.07</b>
<b>Natural Gas Jul MCX</b>	194.50	196.70	<b>-1.12</b>
<b>Nat. Gas Aug Henry Hub</b>	2.828	2.858	<b>-1.05</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	09-JULY-18	06-JULY-18	
<b>SPDR Gold ETF</b>	800.77	802.24	<b>-0.18</b>
<b>iShares Silver Trust</b>	10113.38	10087.04	<b>0.26</b>

NAME OF THE ETF	CLOSING		RATIO
	09-JULY-18		
<b>Gold v/s Silver</b>	1260	16.139	<b>78.05</b>
<b>Gold v/s Crude Oil</b>	1260	73.85	<b>17.06</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	09-JULY-18	06-JULY-18	Change	
<b>Aluminum</b>	1115250	1105975	<b>9275</b>	<b>0.84</b>
<b>Copper</b>	270550	275475	<b>-4925</b>	<b>-1.79</b>
<b>Nickel</b>	265542	266868	<b>-1326</b>	<b>-0.50</b>
<b>Lead</b>	130600	131125	<b>-525</b>	<b>-0.40</b>
<b>Zinc</b>	251950	249025	<b>2925</b>	<b>1.17</b>

BASE METALS	CLOSING		% CH
	09-JULY-18	06-JULY-18	
<b>Aluminium Jul</b>	144.60	143.85	<b>0.52</b>
<b>Copper Aug</b>	436.70	431.60	<b>1.18</b>
<b>Nickel Jul</b>	964.30	958.90	<b>0.56</b>
<b>Lead Jul</b>	160.35	161.55	<b>-0.74</b>
<b>Zinc Jul</b>	185.55	190.60	<b>-2.65</b>

## ECONOMIC CALENDER

TUESDAY JULY 10, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
12:30 AM	U.S.	<b>Consumer Credit (May)</b>	<b>24.56B</b>	12.20B	9.26B
7:00 AM	China	<b>CPI (MoM) (Jun)</b>	<b>-0.1%</b>	-0.1%	-0.2%
7:00 AM	China	<b>CPI (YoY) (Jun)</b>	<b>1.9%</b>	1.9%	1.8%
7:00 AM	China	<b>PPI (YoY) (Jun)</b>	<b>4.7%</b>	4.5%	4.1%
12:15 PM	France	<b>French Industrial Production (MoM) (May)</b>		0.7%	-0.5%
2:00 PM	U.K.	<b>GDP</b>			
2:00 PM	U.K.	<b>Index of Services</b>		0.4%	0.2%
2:00 PM	U.K.	<b>Industrial Production (MoM) (May)</b>		0.5%	-0.8%
2:00 PM	U.K.	<b>Industrial Production (YoY) (May)</b>		1.9%	1.8%
2:00 PM	U.K.	<b>Manufacturing Production (YoY) (May)</b>		1.9%	1.4%
2:00 PM	U.K.	<b>Manufacturing Production (MoM) (May)</b>		0.9%	-1.4%
2:00 PM	U.K.	<b>Trade Balance (May)</b>		-12.00B	-14.04B
2:00 PM	U.K.	<b>Trade Balance Non-EU (May)</b>		-3.70B	-5.37B
2:30 PM	Germany	<b>German ZEW Current Conditions (Jul)</b>		78.2	80.6
2:30 PM	Germany	<b>German ZEW Economic Sentiment (Jul)</b>		-18.0	-16.1
Tentative	China	<b>M2 Money Stock (YoY)</b>		8.4%	8.3%
Tentative	China	<b>New Loans</b>		1,520.0B	1,150.0B
2:30 PM	Eurozone	<b>ZEW Economic Sentiment</b>		-13.2	-12.6

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