

# COMMODITY

## Report

10 October 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Oil futures settle higher, finding support from signs that Iran crude exports are falling ahead of reimposed sanctions. West Texas Intermediate crude for November delivery, on the New York Mercantile Exchange rose 67 cents, or 0.9%, to settle at \$74.96 a barrel. MCX Crude Oil October expiry closed at Rs. 5574 per barrel, up 1.46%.
- German exports fell a calendar and seasonally-adjusted 0.1% in August from July, when they decreased 0.8%. Imports dropped 2.7% after a 2.8% rise in July. The trade surplus rose to EUR 17.2 billion in August from EUR 16.5 billion in the previous month.
- Switzerland's unemployment rate dropped to a seasonally adjusted 2.5% in September from 2.6% in August. On an unadjusted basis, the jobless rate remained stable at 2.4% in September.
- Australia's Westpac Melbourne Institute Index of Consumer Sentiment rose 1% to 101.5 in October.
- Japan's total value of core machine orders spiked a seasonally adjusted 6.8% on month in August - worth 981.5 billion yen, following the 11.0% spike in July. On a yearly basis, core machine orders jumped 12.6% - after soaring 13.9% in the previous month.
- Taiwan's exports grew 2.6% year-on-year and imports grew 13.9%. The trade surplus decreased by 35% from a year ago to US\$4.33 billion.
- Malta's industrial production rose a working-day adjusted 1.5% in August year-on-year, partially reversing a 6.1% slump in July. On a seasonally adjusted basis, industrial production grew a seasonally-adjusted 9.2% in August after a 5.8% fall in July.
- New Zealand's overall credit card spending advanced a seasonally adjusted 1.3% on month in September - accelerating from the 1.1% gain in August.
- India's central bank kept its key benchmark rates unchanged, the six-member Monetary Policy Committee of the Reserve Bank of India decided to maintain the repo rate at 6.50%. The reverse repo rate was retained at 6.25%. The Cash Reserve Ratio (CRR) stands at 4% while the bank rate is at 6.75%.

INDEX	09-OCT-18	08-OCT-18	PTS. CH.	% CHANGE
<b>Dow</b>	26430.57	26486.78	<b>-56.21</b>	<b>-0.21</b>
<b>Nifty</b>	10301.05	10348.05	<b>-47.00</b>	<b>-0.45</b>
<b>Sensex</b>	34299.47	34474.38	<b>-174.91</b>	<b>-0.51</b>
<b>USD/INR</b>	74.39	74.07	<b>0.32</b>	<b>0.43</b>
<b>Dollar Index</b>	95.35	95.44	<b>-0.09</b>	<b>-0.09</b>
<b>Euro/\$1US</b>	1.1505	1.1492	<b>0.0013</b>	<b>0.11</b>
<b>\$1US/Yen</b>	113.02	113.23	<b>-0.21</b>	<b>-0.19</b>
<b>Pound/\$1US</b>	1.3157	1.3090	<b>0.0067</b>	<b>0.51</b>

## MARKET UPDATE

- U.S. stocks closed mostly lower after a volatile session as investors continued to fret over the implication of higher bond yields on equities. The Nasdaq, however, snapped a three-day losing streak in line with a rebound in technology shares. The S&P 500 index slid 4.09 points, or 0.1%, to 2,880.34. The Nasdaq Composite Index bucked the trend to edge up 2.07 points to 7,738.02 as tech stocks outperformed the broader market.
- Indian market ended with modest losses, dragged by weakness in select pivotals, as investors remained on the sidelines ahead of corporate results and weakening global cues.

## CURRENCY UPDATE

- The U.S. dollar retreated from a seven-week high as some of its closest rivals clawed back early losses. The ICE Dollar Index was trading at 95.655, down 0.1%, after earlier reaching an intraday high of 96.16, its highest level since Aug. 20. A major contributor to the index, the Japanese yen traded higher as investors continued to seek out haven assets amid global equity weakness. A dollar was last buying ¥112.96 compared with ¥113.23. The sterling was last trading at \$1.3142 versus \$1.3093. Elsewhere, the euro moved into positive territory, trading at \$1.1505 compared with \$1.1493.
- The rupee hit yet another record low of 74.39 after falling 32 paise against the US dollar, following rise in crude oil prices, deepening concerns over India's current account deficit and fund outflows. The domestic currency on Monday had settled below the 74 level for the first time ever.

BULLION	CLOSING		% CH
	09-OCT-18	08-OCT-18	
<b>Gold Dec MCX</b>	31283	31220	<b>0.20</b>
<b>Gold Dec Comex</b>	1192	1189	<b>0.24</b>
<b>Silver Dec MCX</b>	38621	38458	<b>0.42</b>
<b>Silver Dec Comex</b>	14.400	14.329	<b>0.50</b>
ENERGY			
<b>Crude Oil Oct MCX</b>	5574	5494	<b>1.46</b>
<b>Crude Nov Nymex</b>	74.96	74.29	<b>0.90</b>
<b>Natural Gas Oct MCX</b>	241.10	242.20	<b>-0.45</b>
<b>Nat. Gas Nov Henry Hub</b>	3.266	3.267	<b>-0.03</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	09-OCT-18	08-OCT-18	
<b>SPDR Gold ETF</b>	730.17	730.17	<b>0.00</b>
<b>iShares Silver Trust</b>	10354.73	10354.73	<b>0.00</b>

NAME OF THE ETF	CLOSING		RATIO
	09-OCT-18		
<b>Gold v/s Silver</b>	1192	14.400	<b>82.74</b>
<b>Gold v/s Crude Oil</b>	1192	74.96	<b>15.90</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	09-OCT-18	08-OCT-18	Change	
<b>Aluminum</b>	955950	963350	<b>-7400</b>	<b>-0.77</b>
<b>Copper</b>	177850	181975	<b>-4125</b>	<b>-2.27</b>
<b>Nickel</b>	226044	226476	<b>-432</b>	<b>-0.19</b>
<b>Lead</b>	116350	114150	<b>2200</b>	<b>1.93</b>
<b>Zinc</b>	198175	200350	<b>-2175</b>	<b>-1.09</b>

BASE METALS	CLOSING		% CH
	09-OCT-18	08-OCT-18	
<b>Aluminium Oct</b>	152.90	154.25	<b>-0.88</b>
<b>Copper Nov</b>	463.20	456.10	<b>1.56</b>
<b>Nickel Oct</b>	960.10	936.70	<b>2.50</b>
<b>Lead Oct</b>	143.45	146.25	<b>-1.91</b>
<b>Zinc Oct</b>	202.90	198.35	<b>2.29</b>

## ECONOMIC CALENDER

### WEDNESDAY OCTOBER 10 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
5:20 AM	Japan	<b>Core Machinery Orders (YoY) (Aug)</b>	<b>12.6%</b>	1.6%	13.9%
5:20 AM	Japan	<b>Core Machinery Orders (MoM) (Aug)</b>	<b>6.8%</b>	-4.0%	11.0%
11:30 AM	Germany	<b>German WPI (YoY) (Sep)</b>			3.8%
11:30 AM	Germany	<b>German WPI (MoM) (Sep)</b>			0.3%
12:15 PM	France	<b>French Industrial Production (MoM) (Aug)</b>		0.1%	0.7%
2:00 PM	U.K.	<b>GDP (MoM)</b>		0.1%	0.3%
2:00 PM	U.K.	<b>Index of Services</b>		0.6%	0.6%
2:00 PM	U.K.	<b>Industrial Production (YoY) (Aug)</b>		1.0%	0.9%
2:00 PM	U.K.	<b>Industrial Production (MoM) (Aug)</b>		0.1%	0.1%
2:00 PM	U.K.	<b>Manufacturing Production (YoY) (Aug)</b>		1.1%	1.1%
2:00 PM	U.K.	<b>Manufacturing Production (MoM) (Aug)</b>		0.1%	-0.2%
2:00 PM	U.K.	<b>Trade Balance (Aug)</b>		-10.90B	-9.97B
5:00 PM	India	<b>M3 Money Supply</b>			10.0%
6:00 PM	U.S.	<b>Core PPI (YoY) (Sep)</b>		2.5%	2.3%
6:00 PM	U.S.	<b>Core PPI (MoM) (Sep)</b>		0.2%	-0.1%
6:00 PM	U.S.	<b>PPI (YoY) (Sep)</b>		2.8%	2.8%
6:00 PM	U.S.	<b>PPI (MoM) (Sep)</b>		0.2%	-0.1%
7:30 PM	U.S.	<b>Wholesale Inventories (MoM) (Aug)</b>		0.8%	0.8%

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