

# COMMODITY

## Report

12 September 2018



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EVERYTHING YOU  
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ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Crude-oil futures rallied, finding support as a major hurricane approaching the U.S. East Coast boosted demand for fuel and threatened the flow of gasoline through a key pipeline. October futures on West Texas Intermediate crude, the U.S. benchmark, rose \$1.71, or 2.53%, to \$69.25 a barrel. MCX Crude Oil September expiry closed at Rs. 5044 per barrel, up 2.60%.
- U.S. wholesale inventories increased 0.6% in July instead of gaining 0.7% as reported last month.
- The American Petroleum Institute reported that U.S. crude supplies dropped by 8.6 million barrels for the week ended Sept. 7. The API data, however, showed supplies of gasoline up 2.1 million barrels and distillate stockpiles climbed by 5.8 million barrels, sources said.
- U.K. unemployment rate came in at 4% in three months to July. In August, the claimant count rate rose to 2.6% from 2.5% in July. The number of people claiming unemployment benefits increased by 8,700 from July.
- Eurozone employment increased 0.4% sequentially in the second quarter, the same rate as seen in the first quarter. The annual growth also remained unchanged, at 1.5%.
- Eurozone ZEW economic sentiment increased to minus 7.2 in September from minus 11.1 a month earlier.
- German ZEW economic sentiment indicator climbed to -10.6 in September from -13.7 in August. The current conditions index rose to 76 from 72.6 in August.
- France's net payroll job creation rose 12,500 in the second quarter or 0%, after rising 47,500 in the previous quarter.
- Australia's Westpac Melbourne Institute Index of Consumer Sentiment declined 3% to 100.5 in September.
- South Africa's manufacturing output grew an unadjusted 2.9% year-on-year in July following 0.6% increase in June. In May, production rose 0.6%.

INDEX	11-SEP-18	10-SEP-18	PTS. CH.	% CHANGE
<b>Dow</b>	25971.12	25857.07	<b>114.05</b>	<b>0.44</b>
<b>Nifty</b>	11287.50	11438.10	<b>-150.60</b>	<b>-1.32</b>
<b>Sensex</b>	37413.13	37922.17	<b>-509.04</b>	<b>-1.34</b>
<b>USD/INR</b>	72.70	72.46	<b>0.24</b>	<b>0.33</b>
<b>Dollar Index</b>	95.05	95.11	<b>-0.06</b>	<b>-0.06</b>
<b>Euro/\$1US</b>	1.1596	1.1594	<b>0.0002</b>	<b>0.02</b>
<b>\$1US/Yen</b>	111.63	111.12	<b>0.51</b>	<b>0.46</b>
<b>Pound/\$1US</b>	1.3016	1.3027	<b>-0.0011</b>	<b>-0.08</b>

## MARKET UPDATE

- U.S. stocks shrugged off a wobbly start to close higher, with the Dow climbing by triple digits, as energy and telecommunications rallied. However, trade worries were simmering below the surface as investors continued to watch the situation between the U.S. and China. The S&P 500 added 10.76 points, or 0.4%, to finish at 2,887.89 and the tech-laden Nasdaq Composite Index advanced 48.31 points, or 0.6%, to 7,972.47.
- Indian market tumbled, extending its sharp fall from the previous session, as concerns over escalating tensions surrounding the US-China trade war continued to haunt investors. Domestic sentiment also took a hit as the rupee touched a new record low of 72.7375 in the afternoon trade.

## CURRENCY UPDATE

- The U.S. dollar bounced higher versus its major rivals, as trade issues remained center stage and Australia's currency hit a more than 2 1/2-year low. The ICE U.S. Dollar Index was up 0.1% at 95.236. For the British pound, the optimism over a possible Brexit deal within the next few weeks that had pushed sterling higher on Monday and to touch a high of \$1.3088. The pound last bought \$1.3011, little changed.
- Indian rupee continued to bleed for a second straight session, as the domestic currency hit fresh all-time low against the US dollar after falling 24 paise to 72.70. The rupee had opened 15 paise higher at 72.30. The domestic currency hit a low 72.74 and a high of 72.26 during the session amid renewed global trade war worries. It lost 0.33% to close at 72.70.

BULLION	CLOSING		% CH
	11-SEP-18	10-SEP-18	
<b>Gold Oct MCX</b>	30717	30715	<b>0.01</b>
<b>Gold Dec Comex</b>	1202	1200	<b>0.20</b>
<b>Silver Dec MCX</b>	37401	37494	<b>-0.25</b>
<b>Silver Dec Comex</b>	14.153	14.181	<b>-0.20</b>
<b>ENERGY</b>			
<b>Crude Oil Sep MCX</b>	5044	4916	<b>2.60</b>
<b>Crude Oct Nymex</b>	69.25	67.54	<b>2.53</b>
<b>Natural Gas Sep MCX</b>	205.30	204	<b>0.54</b>
<b>Nat. Gas Oct Henry Hub</b>	2.828	2.804	<b>0.86</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	11-SEP-18	10-SEP-18	
<b>SPDR Gold ETF</b>	745.18	745.44	<b>-0.03</b>
<b>iShares Silver Trust</b>	10377.90	10377.90	<b>0.00</b>

NAME OF THE ETF	CLOSING		RATIO
	11-SEP-18		
<b>Gold v/s Silver</b>	1202	14.153	<b>84.94</b>
<b>Gold v/s Crude Oil</b>	1202	69.25	<b>17.36</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	11-SEP-18	10-SEP-18	Change	
<b>Aluminum</b>	1054525	1059825	<b>-5300</b>	<b>-0.50</b>
<b>Copper</b>	234300	238750	<b>-4450</b>	<b>-1.86</b>
<b>Nickel</b>	236340	237066	<b>-726</b>	<b>-0.31</b>
<b>Lead</b>	120300	120500	<b>-200</b>	<b>-0.17</b>
<b>Zinc</b>	229675	229550	<b>125</b>	<b>0.05</b>

BASE METALS	CLOSING		% CH
	11-SEP-18	10-SEP-18	
<b>Aluminium Sep</b>	147.45	149.95	<b>-1.67</b>
<b>Copper Nov</b>	425.55	426.80	<b>-0.29</b>
<b>Nickel Sep</b>	887.40	900.80	<b>-1.49</b>
<b>Lead Sep</b>	142.80	146.40	<b>-2.46</b>
<b>Zinc Sep</b>	169.00	172.70	<b>-2.14</b>

## ECONOMIC CALENDER

### WEDNESDAY SEPTEMBER 12 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>-8.636M</b>	-1.294M	-1.200M
2:30 PM	Eurozone	<b>Industrial Production (YoY) (Jul)</b>		1.0%	2.5%
2:30 PM	Eurozone	<b>Industrial Production (MoM) (Jul)</b>		-0.5%	-0.7%
4:50 PM	U.S.	<b>OPEC Monthly Report</b>			
5:00 PM	India	<b>Cumulative Industrial Production (Jul)</b>			5.20%
5:00 PM	India	<b>Industrial Production (YoY) (Jul)</b>		6.6%	7.0%
5:00 PM	India	<b>M3 Money Supply</b>			9.9%
5:00 PM	India	<b>Manufacturing Output (MoM) (Jul)</b>			6.9%
5:30 PM	India	<b>CPI (YoY) (Aug)</b>		3.86%	4.17%
6:00 PM	U.S.	<b>Core PPI (YoY) (Aug)</b>		2.7%	2.7%
6:00 PM	U.S.	<b>Core PPI (MoM) (Aug)</b>		0.2%	0.1%
6:00 PM	U.S.	<b>PPI (MoM) (Aug)</b>		0.2%	0.0%
6:00 PM	U.S.	<b>PPI (YoY) (Aug)</b>		3.2%	3.3%
8:00 PM	U.S.	<b>Crude Oil Inventories</b>		-0.805M	-4.302M
8:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		1.446M	3.119M
8:00 PM	U.S.	<b>Gasoline Inventories</b>		1.321M	1.845M

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