

COMMODITY

Report

13 June 2018



SHRIRAM INSIGHT SHARE BROKERS LIMITED

Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953,
E-mail : research@shriraminsight.com

EVERYTHING YOU
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ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Gold prices fell below \$1,300 an ounce, as an agreement between the U.S. and North Korea aimed at denuclearizing the Korean Peninsula muted demand for the haven metal, ahead of an expected interest-rate hike by the Federal Reserve. August gold fell \$3.80, or 0.29%, to settle at \$1,299.40 an ounce, after tapping a high near \$1,305 during the session. MCX Gold August expiry closed at Rs. 31156 per 10 gram, down 0.19%.
- U.S. consumer price index rose by 0.2% in May, matching the increase seen in April. Core consumer prices increased by 0.2% in May after inching up by 0.1% in April. The annual rate of consumer price growth accelerated to 2.8% in May from 2.5% in April. Core consumer price growth also edged up to a fifteen-year high of 2.2% in May from 2.1% in the previous month.
- U.S. federal budget deficit was \$146.80 billion in May, 66% wider than the same month a year earlier.
- OPEC oil production increased by 35,000 barrels a day in May, month-on-month, to average 31.87 million barrels a day.
- The American Petroleum Institute reported that U.S. crude supplies rose by 833,000 barrels for the week ended June 8. The API data also showed an increase of 2.3 million barrels in gasoline stockpiles, while inventories of distillates climbed by 2.1 million barrels.
- U.K. ILO jobless rate remained at 4.2% in the three months ended April, but down from 4.6% a year ago. The claimant count fell by 7,700 over the period from 28,200 previously.
- Eurozone ZEW economic sentiment decreased to minus 12.6 in June from 2.4 a month earlier.
- German ZEW economic sentiment fell to a negative 16.4 in June from minus 8.2 in May. The economy's current conditions fell to 80.6 from 87.4 last month.
- Australia's Westpac- Melbourne Institute consumer sentiment index rose by 0.3% in June to 102.1 from 101.8 in April.
- South Korea's M2, a broad measure of money supply climbed 5.7% year-over-year in April, slower than March's 5.8% rise. On a monthly basis, M2 money supply rose 0.8% from March, when it increased by 0.2%.
- India's retail inflation rose to a four month high in May - CPI stood at 4.87% in May against 4.58% in April.
- India's industrial production picked up pace in April, growth as measured by the IIP was 4.9% in April compared with 4.5% in March. Mining expanded 5.1% in April compared with 3% a year earlier, while manufacturing, which constitutes 77.63% of IIP, grew 5.2% versus 2.9% a year ago.

INDEX	12-JUNE-18	11-JUNE-18	PTS. CH.	% CHANGE
Dow	25320.49	25322.31	-1.82	-0.01
Nifty	10842.85	10786.95	55.90	0.52
Sensex	35692.52	35483.47	209.05	0.59
USD/INR	67.48	67.42	0.06	0.09
Dollar Index	93.83	93.56	0.27	0.29
Euro/\$1US	1.1748	1.1784	-0.0036	-0.31
\$1US/¥en	110.45	110.03	0.42	0.38
Pound/\$1US	1.3374	1.3375	-0.0001	-0.01

MARKET UPDATE

- U.S. stock-market indexes closed mostly higher as investors shifted their attention away from a landmark meeting between President Donald Trump and Kim Jong Un to the start of a series of important central-bank meetings, kicking off with the Federal Reserve. The S&P 500 advanced 4.85 points, or 0.2%, to 2,786.85. Meanwhile, the Nasdaq Composite Index added 43.87 points, or 0.6%, to 7,703.79.
- Indian market logged modest gains in steady session of trade on sustained buying demand in index pivots.

CURRENCY UPDATE

The U.S. dollar regained firmer footing in the second half, as market participants turned their focus to the Federal Reserve's policy meeting, which is expected to culminate in an interest-rate hike Wednesday. The ICE U.S. Dollar Index was 0.3% higher at 93.827. The WSJ Dollar Index rose 0.3% to 87.27. The euro gave back previous gains and fell to \$1.1747 from \$1.1785. The dollar strengthened against the Japanese yen last bought ¥110.35, compared with ¥110.02. The British pound fell to \$1.3372, from \$1.3380.

The rupee washed out its initial gains to close down by 6 paise at 67.48 against the US currency due to fag-end dollar demand from banks and importers. The rupee resumed lower at 67.48 from overnight close of 67.42 at the interbank foreign exchange (forex) market on bouts of dollar demand. It lost further ground to hit a low of 67.52 in mid-morning deals before a trend reversal. After touching a fresh intra-day high of 67.35 briefly during the fag-end trade, the local unit once again turned volatile and reversed all its gains to end at 67.48, showing a loss of 6 paise, or 0.09%. The RBI fixed the reference rate for the dollar at 67.4571.

BULLION	CLOSING		% CH
	12-JUNE-18	11-JUNE-18	
Gold Aug MCX	31156	31216	-0.19
Gold Aug Comex	1299	1303	-0.29
Silver Jul MCX	40691	40791	-0.25
Silver Jul Comex	16.891	16.952	-0.36
ENERGY			
Crude Oil Jun MCX	4478	4472	0.13
Crude Jul Nymex	66.36	66.10	0.39
Natural Gas Jun MCX	198.50	198.70	-0.10
Nat. Gas Jul Henry Hub	2.939	2.949	-0.34

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	12-JUNE-18	11-JUNE-18	
SPDR Gold ETF	828.76	828.76	0.00
iShares Silver Trust	9868.83	9930.31	-0.62

NAME OF THE ETF	CLOSING		RATIO
	12-JUNE-18		
Gold v/s Silver	1299	16.891	76.93
Gold v/s Crude Oil	1299	66.36	19.58

(IN TONS)	LME INVENTORIES DATA			% Change
	12-JUNE-18	11-JUNE-18	Change	
Aluminum	1162650	1168975	-6325	-0.54
Copper	295725	299500	-3775	-1.26
Nickel	277986	279120	-1134	-0.41
Lead	132750	132750	0	0.00
Zinc	246900	248450	-1550	-0.62

BASE METALS	CLOSING		% CH
	12-JUNE-18	11-JUNE-18	
Aluminium Jun	156.35	156.80	-0.29
Copper Jun	484.60	485.00	-0.08
Nickel Jun	1029.00	1028.60	0.04
Lead Jun	166.55	167.30	-0.45
Zinc Jun	217.45	218.00	-0.25

ECONOMIC CALENDER

WEDNESDAY JUNE 13, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
52:00 AM	U.S.	API Weekly Crude Oil Stock	0.833M	-2.700M	-2.028M
1:30 PM	U.S.	IEA Monthly Report			
2:00 PM	U.K.	Core CPI (YoY) (May)		2.1%	2.1%
2:00 PM	U.K.	Core PPI Output (YoY) (May)		2.5%	2.4%
2:00 PM	U.K.	Core PPI Output (MoM) (May)		0.2%	0.1%
2:00 PM	U.K.	Core RPI (MoM) (May)		0.5%	0.5%
2:00 PM	U.K.	Core RPI (YoY) (May)			3.4%
2:00 PM	U.K.	CPI (YoY) (May)		2.4%	2.4%
2:00 PM	U.K.	CPI (MoM) (May)		0.4%	0.4%
2:00 PM	U.K.	House Price Index (YoY)		4.4%	4.2%
2:00 PM	U.K.	PPI Input (YoY) (May)		7.6%	5.3%
2:00 PM	U.K.	PPI Input (MoM) (May)		1.8%	0.4%
2:00 PM	U.K.	PPI Output (MoM) (May)		0.3%	0.3%
2:00 PM	U.K.	PPI Output (YoY) (May)		2.9%	2.4%
2:00 PM	U.K.	RPI (YoY) (May)		3.4%	3.4%
2:00 PM	U.K.	RPI (MoM) (May)		0.4%	0.5%
2:30 PM	Eurozone	Employment Change (YoY) (Q1)			1.6%
2:30 PM	Eurozone	Employment Change (QoQ) (Q1)		0.3%	0.3%
2:30 PM	Eurozone	Industrial Production (YoY) (Apr)		2.8%	3.0%
2:30 PM	Eurozone	Industrial Production (MoM) (Apr)		-0.5%	0.5%
6:00 PM	U.S.	Core PPI (YoY) (May)		2.3%	2.3%
6:00 PM	U.S.	Core PPI (MoM) (May)		0.2%	0.2%
6:00 PM	U.S.	PPI (MoM) (May)		0.3%	0.1%
6:00 PM	U.S.	PPI (YoY) (May)		2.8%	2.6%
6:30 PM	India	Current Account (USD)			-13.50B
8:00 PM	U.S.	Crude Oil Inventories		-2.744M	2.072M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		0.200M	2.165M
8:00 PM	U.S.	Gasoline Inventories		0.443M	4.603M
11:30 PM	U.S.	FOMC Statement			
11:30 PM	U.S.	Fed Interest Rate Decision		2.00%	1.75%

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