

COMMODITY

Report

15 May 2018



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ECONOMIC / GLOBAL NEWS

- Gold futures settled lower, as a rise in Treasury yields helped put the metal on track for a fifth loss in six sessions, even as a popular gauge for the dollar paused a run higher. June gold GCM8, -0.49% fell \$2.50, or 0.19%, to settle at \$1,318.20 an ounce after tapping an intraday high of \$1,322.40. July silver fell 0.64% to \$16.645 an ounce. MCX Gold June expiry closed at Rs. 31504 per 10 gram, down 0.04% while July Silver closed at Rs. 40348 per kg, down 0.48%.
- China's industrial production growth accelerated to 7% in April from 6% in March. Retail sales grew 9.4% year-on-year in April, slower than the 10.1% increase seen in March. Fixed asset investment climbed 7% during January to April following 7.5% increase in three months to March.
- Australia's consumer confidence index rose to a fourteen-week high of 120.8 for the fifth straight time during the week ended May 13 from 119.6 in the preceding week.
- Greece's import price inflation rose 5.3% year-over-year in March, faster than the 3.0% climb in February. Month-on-month, import prices rebounded 1.0% from February, when it fell by 1.6%.
- India's retail inflation came in at 4.58% in April from March's 4.28%. Retail inflation, measured by Consumer Price Index (CPI) had fallen to 2.99% in April 2017.
- India's wholesale price inflation rose to a 4-month high of 3.18% in April from 2.47% in March. Inflation in food articles was at 0.87% in April 2018, as against a deflation of 0.29% in the preceding month. Wholesale inflation rose 7.85% in fuel and power and 3.11% in manufactured items compared with 4.7% and 3.03%, respectively.

INDEX	14-MAY-18	11-MAY-18	PTS. CH.	% CHANGE
Dow	24903.51	24831.17	72.34	0.29
Nifty	10806.60	10806.50	0.10	0.001
Sensex	35556.71	35535.79	20.92	0.06
USD/INR	67.51	67.33	0.19	0.27
Dollar Index	92.55	92.41	0.14	0.15
Euro/\$1US	1.1931	1.1944	-0.0013	-0.11
\$1US/¥en	109.73	109.39	0.34	0.31
Pound/\$1US	1.3561	1.3543	0.0018	0.13

MARKET UPDATE

- U.S. stock indexes posted modest gains, and the Dow ended with an eighth gain in a row, extending an uptrend on signs of easing trade tensions between the U.S. and China. The S&P 500 added 2.41 points, or 0.1%, to 2,730.13. The Nasdaq Composite Index climbed by 8.43 points, or 0.1%, at 7,411.32.
- Indian market settled almost flat as investors were cautious ahead of Karnataka Assembly poll results tomorrow, 15 May 2018.

CURRENCY UPDATE

- The U.S. dollar recovered from earlier weakness in afternoon, flirting with snapping a three-day losing streak. The ICE U.S. Dollar Index strengthened 0.1% to 92.621. A broader measure of the greenback, the WSJ Dollar Index rose 0.1% to 86.35. The euro in turn reversed as well and last edged into negative territory at \$1.1937, while the British pound held on to its advance to \$1.3559 from \$1.3542. The greenback strengthened slightly against the Japanese yen buying ¥109.63 versus ¥109.39.
- The embattled rupee suffered yet another blow - falling by 19 paise to end at a fresh 16-month low of 67.51 against the US currency on heavy dollar purchases and sustained fund outflows from equities. Earlier in the day, the rupee resumed firm at 67.24 from weekend's close of 67.33 at the Interbank Foreign Exchange (Forex) market on bouts of dollar selling by exporters and banks. It later picked up extra pace and touched a fresh intra-day high of 67.21 before taking a quick reversal in mid afternoon deals amid lack of any strong follow-through. The local unit plummeted sharply to hit a fresh low of 67.63 towards the tail-end trade before concluding at 67.51, revealing a loss of 19 paise, or 0.27%. The RBI fixed the reference rate for the dollar at 67.3153.

BULLION	CLOSING		% CH
	14-MAY-18	11-MAY-18	
Gold Jun MCX	31504	31518	-0.04
Gold Jun Comex	1318	1321	-0.19
Silver Jul MCX	40348	40541	-0.48
Silver Jul Comex	16.645	16.752	-0.64
ENERGY			
Crude Oil May MCX	4794	4793	0.02
Crude Jun Nymex	70.96	70.70	0.37
Natural Gas May MCX	192.30	189.80	1.32
Nat. Gas Jun Henry Hub	2.842	2.806	1.28

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	14-MAY-18	11-MAY-18	
SPDR Gold ETF	856.17	857.64	-0.17
iShares Silver Trust	9940.41	10054.63	-1.14

NAME OF THE ETF	CLOSING		RATIO
	14-MAY-18		
Gold v/s Silver	1318	16.645	79.19
Gold v/s Crude Oil	1318	70.96	18.58

(IN TONS)	LME INVENTORIES DATA			% Change
	14-MAY-18	11-MAY-18	Change	
Aluminum	1259300	1264250	-4950	-0.39
Copper	289975	281075	8900	3.17
Nickel	311448	311604	-156	-0.05
Lead	131225	132025	-800	-0.61
Zinc	233700	234150	-450	-0.19

BASE METALS	CLOSING		% CH
	14-MAY-18	11-MAY-18	
Aluminium May	157.20	153.55	2.38
Copper Jun	463.70	465.00	-0.28
Nickel May	976.30	947.50	3.04
Lead May	161.05	158.60	1.54
Zinc May	206.30	208.20	-0.91

ECONOMIC CALENDER

TUESDAY MAY 15, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
7:00 AM	Australia	RBA Meeting Minutes			
7:30 AM	China	Fixed Asset Investment (YoY) (Apr)	7.0%	7.4%	7.5%
7:30 AM	China	Industrial Production (YoY) (Apr)	7.0%	6.4%	6.0%
7:30 AM	China	Retail Sales (YoY) (Apr)	9.4%	10.0%	10.1%
11:30 AM	Germany	German GDP (YoY) (Q1)		1.8%	2.3%
11:30 AM	Germany	German GDP (QoQ) (Q1)		0.4%	0.6%
12:15 PM	France	French CPI (YoY)		1.6%	1.6%
12:15 PM	France	French CPI (MoM) (Apr)		0.1%	0.1%
12:15 PM	France	French Non-Farm Payrolls (QoQ) (Q1)		0.4%	0.4%
2:00 PM	U.K.	Claimant Count Change (Apr)		13.3K	11.6K
2:00 PM	U.K.	Unemployment Rate (Mar)		4.2%	4.2%
2:30 PM	Germany	German ZEW Current Conditions (May)		86.2	87.9
2:30 PM	Germany	German ZEW Economic Sentiment (May)		-8.0	-8.2
2:30 PM	Eurozone	GDP (YoY) (Q1)		2.5%	2.5%
2:30 PM	Eurozone	GDP (QoQ) (Q1)		0.4%	0.4%
2:30 PM	Eurozone	Industrial Production (YoY) (Mar)		3.7%	2.9%
2:30 PM	Eurozone	Industrial Production (MoM) (Mar)		0.6%	-0.8%
2:30 PM	Eurozone	ZEW Economic Sentiment		2.0	1.9
5:40 PM	India	Trade Balance			-13.69B
6:00 PM	U.S.	Core Retail Sales (MoM) (Apr)		0.5%	0.2%
6:00 PM	U.S.	Retail Sales (MoM) (Apr)		0.4%	0.6%
7:30 PM	U.S.	Business Inventories (MoM) (Mar)		0.2%	0.6%

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