

COMMODITY

Report

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EVERYTHING YOU
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ECONOMIC / GLOBAL NEWS

- Gold futures gained, scoring the highest finish in a month for a most-active contract in the wake of monetary policy decisions by the European Central Bank and U.S. Federal Reserve. August gold climbed by \$7, or 0.5%, to settle at \$1,308.30 an ounce. MCX Gold August expiry closed at Rs. 31377 per 10 gram, up 0.75%.
- China home price rose 0.8% in May. That compared with a 0.6% on-month gain in April.
- U.S. initial jobless claims edged down to 218,000 in the week ended June 9th, a decrease of 4,000 from the previous week's unrevised level of 222,000. Continuing claims fell by 49,000 to 1.697 million in the week ended June 2nd.
- U.S. retail sales jumped by 0.8% in May after climbing by an upwardly revised 0.4% in April. Core retail sales still surged up by 0.9% in May following a 0.4% increase in April. Compared to the same month a year ago, retail sales were up by 5.9% in May versus the 4.8% year-over-year increase in April.
- U.S. import prices climbed by 0.6% in May, matching the upwardly revised increase in April. Export prices also increased by 0.6% in May, matching the growth reported for the previous month. Compared to the same month a year ago, import prices were up by 4.3% in May, while export prices were up by 4.9%.
- U.S. business inventories rose by 0.3% in April following a revised 0.1% dip in March.
- The U.S. Energy Information Administration reported that domestic supplies of natural gas rose by 96 billion cubic feet for the week ended June 8. Total stocks now stand at 1.913 trillion cubic feet, down 785 billion cubic feet from a year ago, and 507 billion below the five-year average, the government said.
- U.K. retail sales grew 1.3% month-on-month in May, following April's 1.8% increase. Core sales climbed 1.3% versus 1.4% increase a month ago. Year-on-year, overall retail sales growth advanced to 3.9% in May from 1.4% in April. Core retail sales increased 4.4% after expanding 1.4% a month ago.
- European Central Bank plans to start exiting its massive quantitative easing by the end of this year, the Governing Council, led by ECB President Mario Draghi, left the key interest rates unchanged. The main refi rate is currently at a record low zero% and the deposit rate at -0.40%. The marginal lending facility rate is 0.25%.
- Germany's consumer price inflation climbed 2.2% year-on-year in May, faster than the 1.6% increase in April. On a monthly basis, consumer prices advanced 0.5% in May versus nil growth in April.
- France's consumer price inflation climbed 2.0% year-over-year in May, faster than April's 1.6% rise. On a monthly basis, consumer prices rose 0.4% from April, when it edged up by 0.2%.
- India's annual rate of inflation, based on monthly WPI, stood at 4.43% (provisional) for the month of May, 2018 (over May, 2017) as compared to 3.18% (provisional) for the previous month and 2.26% during the corresponding month of the previous year. Inflation in food articles was at 1.60% in May 2018, as against 0.87% in the preceding month. Inflation in 'fuel and power' basket rose sharply to 11.22% in May from 7.85% in April.
- The Bank of Japan kept its monetary stimulus unchanged, Governor Haruhiko Kuroda and his board members decided by an 8-1 majority vote to hold its target of raising the amount of outstanding JGB holdings at an annual pace of about JPY 80 trillion.

INDEX	14-JUNE-18	13-JUNE-18	PTS. CH.	% CHANGE
Dow	25178.24	25201.20	-22.96	-0.09
Nifty	10808.05	10856.70	-48.65	-0.45
Sensex	35599.82	35739.16	-139.34	-0.39
USD/INR	67.62	67.64	-0.02	-0.03
Dollar Index	94.78	93.70	1.08	1.15
Euro/\$1US	1.1564	1.1791	-0.0227	-1.93
\$1US/Yen	110.63	110.34	0.29	0.26
Pound/\$1US	1.3255	1.3376	-0.0121	-0.90

MARKET UPDATE

- U.S. stocks closed mostly higher, with a rally in technology stocks driving the Nasdaq to its latest in a series of recent records. The S&P 500 advanced 6.86 points, or 0.3%, to 2,782.49. The Nasdaq Composite Index gained 65.34 points, or 0.9%, to 7,761.04.
- Indian market logged modest losses weighed by negative global cues after the US Federal Reserve raised interest rates and struck a hawkish tone in its latest policy statement.

CURRENCY UPDATE

- The euro weakened firmly against most of its major rivals, with a pronounced slide versus the U.S. dollar, after the European Central Bank set a year-end timetable for ending a crisis-era bond-buying program-as expected-but emphasized a more-cautious-than-predicted approach to rolling back its easy-money policies. During ECB President Mario Draghi's news conference, the euro slipped to its worst level since the beginning of the month. It last bought \$1.1597, compared with \$1.1791. Meanwhile, the ICE U.S. Dollar Index was last up 1.1% at 94.720, while the broader measure of the WSJ Dollar Index was up 0.9% at 87.89. Versus the Japanese yen USDJPY, +0.24% the dollar strengthened to ¥110.56 from ¥110.3.
- The rupee withstood the headwinds of CAD worries and a hawkish Federal Reserve rate hike to close higher by 2 paise at 67.62 against the US currency, cutting short its two-day decline. The rupee resumed higher at 67.56 from the last close of 67.64. It later strengthened to hit a high of 67.54 before slipping back. The local unit turned lower in mid-afternoon deals due to some dollar demand from private banks, erasing early gains, but it managed to pull back towards the fag-end to end at 67.62, showing a small gain of 2 paise, or 0.03%. The RBI fixed the reference rate for the dollar at 67.6875.

BULLION	CLOSING		% CH
	14-JUNE-18	13-JUNE-18	
Gold Aug MCX	31377	31143	0.75
Gold Aug Comex	1308	1301	0.54
Silver Jul MCX	41508	40766	1.82
Silver Jul Comex	17.262	16.991	1.59
ENERGY			
Crude Oil Jun MCX	4517	4506	0.24
Crude Jul Nymex	66.89	66.64	0.38
Natural Gas Jun MCX	201.00	200.00	0.50
Nat. Gas Jul Henry Hub	2.965	2.963	0.07

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	14-JUNE-18	13-JUNE-18	
SPDR Gold ETF	828.76	828.76	0.00
iShares Silver Trust	9824.92	9824.92	0.00

NAME OF THE ETF	CLOSING		RATIO
	14-JUNE-18		
Gold v/s Silver	1308	17.262	75.79
Gold v/s Crude Oil	1308	66.89	19.56

(IN TONS)	LME INVENTORIES DATA			% Change
	14-JUNE-18	13-JUNE-18	Change	
Aluminum	1148000	1153875	-5875	-0.51
Copper	293550	293450	100	0.03
Nickel	276312	277014	-702	-0.25
Lead	132275	132625	-350	-0.26
Zinc	243550	245150	-1600	-0.65

BASE METALS	CLOSING		% CH
	14-JUNE-18	13-JUNE-18	
Aluminium Jun	154.00	154.85	-0.55
Copper Jun	481.55	485.05	-0.72
Nickel Jun	1032.20	1054.20	-2.09
Lead Jun	166.45	167.65	-0.72
Zinc Jun	217.10	218.60	-0.69

ECONOMIC CALENDER

FRIDAY JUNE 15, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
7:00 AM	China	House Prices (YoY) (May)	4.7%		4.7%
8:11 AM	Japan	BoJ Monetary Policy Statement (YoY)			
8:11 AM	Japan	BoJ Interest Rate Decision	-0.10%	-0.10%	-0.10%
11:30 AM	Germany	German WPI (MoM) (May)		0.3%	0.5%
11:30 AM	Germany	German WPI (YoY) (May)			1.4%
Tentative	Japan	BoJ Press Conference			
2:30 PM	Eurozone	Core CPI (YoY) (May)		1.1%	1.1%
2:30 PM	Eurozone	Core CPI (MoM) (May)		0.3%	0.2%
2:30 PM	Eurozone	CPI (YoY) (May)		1.9%	1.9%
2:30 PM	Eurozone	CPI (MoM) (May)		0.5%	0.3%
2:30 PM	Eurozone	Trade Balance (Apr)		14.2B	26.9B
5:00 PM	India	FX Reserves, USD			412.23B
6:30 PM	India	Trade Balance		-14.23B	-13.72B
6:45 PM	U.S.	Industrial Production (MoM) (May)		0.2%	0.7%
6:45 PM	U.S.	Manufacturing Production (MoM) (May)		0.1%	0.5%
7:30 PM	U.S.	Michigan Consumer Sentiment (Jun)		98.5	98

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