

# COMMODITY

## Report

16 July 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Oil prices finished higher, as traders weighed pressure from an expected rise in Libya exports against support from signs of tighter global supplies. August West Texas Intermediate crude added 68 cents, or 0.97%, to settle at \$71.01 a barrel on the New York Mercantile Exchange. MCX Crude Oil July expiry closed at Rs. 4884 per barrel, up 2.18%.
- China's gross domestic product expanded a seasonally adjusted 1.8% on quarter in the second quarter of 2018, following the rise of 1.4% in the three months prior. On a yearly basis, GDP climbed 6.8% - unchanged from Q1.
- China retail sales advanced an annual 9.0% - up from 8.5% in May. Industrial production gained 6.0% on year, down from 6.8% in the previous month. Fixed asset investment gained 6.0% on year, down from 6.12% a month earlier.
- Chinese banks' new-yuan-loan issuance totaled 1.84 trillion yuan (\$276.00 billion) in June, up from 1.15 trillion yuan in May. Growth in China's broadest measure of money supply, M2, slowed to a new record of 8% at the end of June, slower than the 8.3% rise at the end of May.
- U.S. preliminary report said the consumer sentiment index dipped to 97.1 in July from the final June reading of 98.2.
- U.S. import prices fell by 0.4% in June after climbing by an upwardly revised 0.9% in May. Export prices rose by 0.3% in June following a 0.6% increase in May.
- U.K. Rightmove average asking price for a house was down 0.1% on month in July - coming in at 309,191 pounds. On a yearly basis, house prices were up 1.4% - slowing from 1.7% in the previous month.
- Germany's wholesale price inflation climbed 3.4% year-on-year in June, faster than the 2.9% increase seen in May. Month-on-month, wholesale prices increased 0.5% from May, when it grew by 0.8%.
- Spain's consumer prices climbed 2.3% year-on-year in June, faster than the 2.1% rise in May. On a monthly basis, consumer prices climbed only 0.3% in June after gaining 0.9% in May.
- Greece's import price inflation climbed 9.9% year-over-year in May, faster than the 7.0% climb in April. Month-on-month, import prices grew at a stable rate of 1.6% in May.
- South Korea's central bank maintained its key rate for the fifth straight meeting, as widely expected. The Monetary Policy Board of the Bank of Korea decided to leave the base rate unchanged at 1.50%. The bank had last raised its rate in November.
- India's exports rose 17.57% year-on-year to \$27.7 billion in June from a year ago, while imports rose 21.31% year-on-year to \$44.3 billion. The trade deficit widened to \$16.6 billion from \$14.62 billion in May.

INDEX	13-JULY-18	12-JULY-18	PTS. CH.	% CHANGE
<b>Dow</b>	25019.41	24924.89	<b>94.52</b>	<b>0.38</b>
<b>Nifty</b>	11018.90	11023.20	<b>-4.30</b>	<b>-0.04</b>
<b>Sensex</b>	36541.63	36548.41	<b>-6.78</b>	<b>-0.02</b>
<b>USD/INR</b>	68.52	68.57	<b>-0.05</b>	<b>-0.07</b>
<b>Dollar Index</b>	94.44	94.57	<b>-0.13</b>	<b>-0.14</b>
<b>Euro/\$1US</b>	1.1686	1.1664	<b>0.0022</b>	<b>0.19</b>
<b>\$1US/¥en</b>	112.38	112.66	<b>-0.28</b>	<b>-0.25</b>
<b>Pound/\$1US</b>	1.3236	1.3178	<b>0.0058</b>	<b>0.44</b>

## MARKET UPDATE

- The Dow reclaimed its perch above the 25,000 level for the first time in nearly a month while the technology-powered Nasdaq to a record, underlining an uptrend that has been driven by signs of economic strength and solid quarterly earnings, even if results for banks on the day failed to prove an immediate catalyst. The S&P 500 index gained 3.02 points, or 0.1%, to 2,801.31. Nasdaq Composite Index added 2.06 points, or less than 0.1%, to 7,825.98.
- Indian market fell from a record high to end marginally lower, dragged down by banking and FMCG stocks.

## CURRENCY UPDATE

- The U.S. dollar index took aim at its biggest weekly gain in four weeks as its rivals struggled in the face of trade-war worries and comments from President Donald Trump during his Europe trip. The ICE U.S. Dollar Index was actually down 0.1% at 94.710. Sterling last fetched \$1.3235, up from \$1.3206.
- The rupee surged to a three-week high of 68.31 before closing marginally up by 5 paise at 68.52 against the US currency mirroring late losses in stock markets and capital outflows. The Indian unit opened strong at 68.36 and hit a fresh three-week high of 68.31 in mid-morning deals as crude prices fell further and stock markets traded at record high levels. Late selling in stock markets and capital outflows weakened the rupee sentiment, pulling down the local currency to a day's low of 68.55 per dollar. The rupee, however, managed to end at 68.52, up by just 5 paise or close to 0.07%. The RBI fixed the reference rate for USD dollar at 68.4094.

BULLION	CLOSING		% CH
	13-JULY-18	12-JULY-18	
<b>Gold Aug MCX</b>	30105	30147	<b>-0.14</b>
<b>Gold Aug Comex</b>	1241	1247	<b>-0.43</b>
<b>Silver Sep MCX</b>	39046	39335	<b>-0.73</b>
<b>Silver Sep Comex</b>	15.815	15.977	<b>-1.01</b>
<b>ENERGY</b>			
<b>Crude Oil Jul MCX</b>	4884	4780	<b>2.18</b>
<b>Crude Aug Nymex</b>	71.01	70.33	<b>0.97</b>
<b>Natural Gas Jul MCX</b>	189.60	192.20	<b>-1.35</b>
<b>Nat. Gas Aug Henry Hub</b>	2.752	2.797	<b>-1.61</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	13-JULY-18	12-JULY-18	
<b>SPDR Gold ETF</b>	795.19	795.19	<b>0.00</b>
<b>iShares Silver Trust</b>	10163.12	10163.12	<b>0.00</b>

NAME OF THE ETF	CLOSING		RATIO
	13-JULY-18		
<b>Gold v/s Silver</b>	1241	15.815	<b>78.48</b>
<b>Gold v/s Crude Oil</b>	1241	71.01	<b>17.48</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	13-JULY-18	12-JULY-18	Change	
<b>Aluminum</b>	1144700	1134600	<b>10100</b>	<b>0.89</b>
<b>Copper</b>	258725	262750	<b>-4025</b>	<b>-1.53</b>
<b>Nickel</b>	263646	263730	<b>-84</b>	<b>-0.03</b>
<b>Lead</b>	127600	127300	<b>300</b>	<b>0.24</b>
<b>Zinc</b>	243825	245650	<b>-1825</b>	<b>-0.74</b>

BASE METALS	CLOSING		% CH
	13-JULY-18	12-JULY-18	
<b>Aluminium Jul</b>	139.35	139.40	<b>-0.04</b>
<b>Copper Aug</b>	422.70	421.85	<b>0.20</b>
<b>Nickel Jul</b>	953.40	970.40	<b>-1.75</b>
<b>Lead Jul</b>	151.00	150.30	<b>0.47</b>
<b>Zinc Jul</b>	177.80	176.85	<b>0.54</b>

## ECONOMIC CALENDER

MONDAY JULY 16, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
4:31 AM	U.K.	<b>Rightmove House Price Index (MoM)</b>	<b>-0.1%</b>		0.4%
7:30 AM	China	<b>Fixed Asset Investment (YoY) (Jun)</b>	<b>6.0%</b>	6.0%	6.1%
7:30 AM	China	<b>GDP (QoQ) (Q2)</b>	<b>1.8%</b>	1.6%	1.4%
7:30 AM	China	<b>GDP (YoY) (Q2)</b>	<b>6.8%</b>	6.7%	6.8%
7:30 AM	China	<b>Industrial Production (YoY) (Jun)</b>	<b>6.0%</b>	6.5%	6.8%
7:30 AM	China	<b>Retail Sales (YoY) (Jun)</b>	<b>9.0%</b>	8.8%	8.5%
12:00 PM	India	<b>WPI Food (YoY) (Jun)</b>			1.60%
12:00 PM	India	<b>WPI Fuel (YoY) (Jun)</b>			11.22%
12:00 PM	India	<b>WPI Inflation (YoY) (Jun)</b>		4.93%	4.43%
12:00 PM	India	<b>WPI Manufacturing Inflation (YoY) (Jun)</b>			3.73%
2:30 PM	Eurozone	<b>Trade Balance (May)</b>		20.9B	16.7B
6:00 PM	U.S.	<b>Core Retail Sales (MoM) (Jun)</b>		0.4%	0.9%
6:00 PM	U.S.	<b>Retail Sales (MoM) (Jun)</b>		0.4%	0.8%
7:30 PM	U.S.	<b>Business Inventories (MoM) (May)</b>		0.4%	0.3%

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