

# COMMODITY

## Report

18 June 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Gold futures settled at the lowest level of the year, just a day after finishing at a monthly high, as the benchmark U.S. dollar index briefly touched an 11-month peak, weighing on assets pegged to the monetary unit. August gold dropped \$29.80, or 2.28%, to settle at \$1,278.50 an ounce. MCX Gold August expiry closed at Rs. 31010 per 10 gram, down 1.17%.
- U.S. preliminary reading on the consumer sentiment index for June came in at 99.3 compared to the final May reading of 98.0.
- U.S. industrial production edged down by 0.1% in May after climbing by an upwardly revised 0.9% in April. Manufacturing output, which fell by 0.7% in May after rising by 0.6% in April.
- Eurozone consumer prices rose to 1.9% in May from revised 1.3% in April. Core inflation also increased in May, to 1.1% from revised 0.8% a month ago. On a monthly basis, consumer prices gained 0.5% in May and core CPI at 0.3%.
- Eurozone trade surplus fell to a seasonally adjusted EUR 18.1 billion in April from EUR 19.8 billion in March. On an unadjusted basis, the trade balance showed a surplus of EUR 16.7 billion compared to a surplus of EUR 15.7 billion in the same period of 2017.
- Germany's wholesale prices advanced 2.9% year-on-year in May, faster than the 1.4% increase seen in April. Month-on-month, wholesale price inflation rose to 0.8% from 0.5% in April.
- Japan posed a merchandise trade shortfall of 578.321 billion yen in May, following the downwardly revised 624.6 billion yen surplus in April (originally 626.0 billion yen). Exports climbed 8.1% on year to 6.323 trillion yen, up from 7.8% in the previous month. Imports soared an annual 14.0% to 6.901 trillion yen, from 5.9% a month earlier. The adjusted trade deficit was 296.8 billion yen, shy of expectations for a surplus of 144.1 billion yen following the 550.0 billion yen surplus in April.
- India's trade deficit widened to four month high of USD 14.62 billion in May as imports surged nearly 15%. Exports in May rose by 28.18% to USD 28.86 billion while imports were up 14.85% to USD 43.48 billion. Trade deficit widened to USD 14.62 billion from USD 13.84 billion in May 2017.

INDEX	15-JUNE-18	14-JUNE-18	PTS. CH.	% CHANGE
<b>Dow</b>	25090.48	25175.31	<b>-84.83</b>	<b>-0.34</b>
<b>Nifty</b>	10817.70	10808.05	<b>9.65</b>	<b>0.09</b>
<b>Sensex</b>	35622.14	35599.82	<b>22.32</b>	<b>0.06</b>
<b>USD/INR</b>	68.01	67.62	<b>0.39</b>	<b>0.58</b>
<b>Dollar Index</b>	94.78	94.78	<b>0.00</b>	<b>0.00</b>
<b>Euro/\$1US</b>	1.1609	1.1569	<b>0.0040</b>	<b>0.35</b>
<b>\$1US/Yen</b>	110.67	110.63	<b>0.04</b>	<b>0.04</b>
<b>Pound/\$1US</b>	1.3285	1.3262	<b>0.0023</b>	<b>0.17</b>

## MARKET UPDATE

- U.S. stocks closed lower, but well off the lows of the sessions as investors looked past signs of escalating Washington-Beijing trade tensions, an issue that is seen as a major potential headwind but which has thus far been more bark than bite for equities. The S&P 500 lost 3.07 points to 2,779.42, a decline of 0.1%. The Nasdaq Composite Index shed 14.66 points to 7,746.38, a decline of 0.2%.
- Indian market ended a range-bound session on a flat note even as pharma stocks extended recent gains and IT stocks rose broadly, led by TCS after its board approved a share buyback of 1.99% of the equity share capital amounting to up to Rs. 16,000 crore.

## CURRENCY UPDATE

The leading U.S. dollar index struggled for direction, trading within a narrow break-even range, as traders weighed the next round of tariff-fueled tensions between the U.S. and China against a dynamic in global monetary policy that should be supportive for bucks. The ICE U.S. Dollar Index was last at 94.746, little changed. The broader WSJ Dollar Index also was virtually flat at 88.01. The euro last fetched \$1.1612 up from \$1.1569. The greenback last bought ¥110.55, down from ¥110.63.

The rupee crumbled below the 68-mark to end at a fresh three-week low against the US currency after the country's trade deficit widened more than expected amid renewed global trade war fears. The rupee resumed with a gap-down at 67.90 against its overnight close of 67.62. A follow-through weakness pulled down the home unit to hit a fresh intra-day low of 68.04 in late afternoon deals before ending at 68.01, showing a steep loss of 39 paise, or 0.58%. The RBI fixed the reference rate for the dollar at 67.9739.

BULLION	CLOSING		% CH
	15-JUNE-18	14-JUNE-18	
<b>Gold Aug MCX</b>	31010	31377	<b>-1.17</b>
<b>Gold Aug Comex</b>	1279	1308	<b>-2.28</b>
<b>Silver Jul MCX</b>	40199	41508	<b>-3.15</b>
<b>Silver Jul Comex</b>	16.480	17.262	<b>-4.53</b>
<b>ENERGY</b>			
<b>Crude Oil Jul MCX</b>	4441	4523	<b>-1.81</b>
<b>Crude Jul Nymex</b>	65.06	66.89	<b>-2.74</b>
<b>Natural Gas Jun MCX</b>	206.20	201.00	<b>2.59</b>
<b>Nat. Gas Jul Henry Hub</b>	3.022	2.965	<b>1.92</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	15-JUNE-18	14-JUNE-18	
<b>SPDR Gold ETF</b>	828.76	828.76	<b>0.00</b>
<b>iShares Silver Trust</b>	9769.30	9824.92	<b>-0.57</b>

NAME OF THE ETF	CLOSING		RATIO
	15-JUNE-18		
<b>Gold v/s Silver</b>	1279	16.480	<b>77.58</b>
<b>Gold v/s Crude Oil</b>	1279	65.06	<b>19.65</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	15-JUNE-18	14-JUNE-18	Change	
<b>Aluminum</b>	1142600	1148000	<b>-5400</b>	<b>-0.47</b>
<b>Copper</b>	294700	293550	<b>1150</b>	<b>0.39</b>
<b>Nickel</b>	276384	276312	<b>72</b>	<b>0.03</b>
<b>Lead</b>	131875	132275	<b>-400</b>	<b>-0.30</b>
<b>Zinc</b>	241450	243550	<b>-2100</b>	<b>-0.86</b>

BASE METALS	CLOSING		% CH
	15-JUNE-18	14-JUNE-18	
<b>Aluminium Jun</b>	151.95	154.00	<b>-1.33</b>
<b>Copper Jun</b>	473.90	481.55	<b>-1.59</b>
<b>Nickel Jun</b>	1030.20	1032.20	<b>-0.19</b>
<b>Lead Jun</b>	163.80	166.45	<b>-1.59</b>
<b>Zinc Jun</b>	212.00	217.10	<b>-2.35</b>

## ECONOMIC CALENDER

MONDAY JUNE 18, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
4:31 AM	U.K.	<b>Rightmove House Price Index (MoM)</b>	<b>0.4%</b>		0.8%
5:20 AM	Japan	<b>Adjusted Trade Balance</b>	<b>-0.30T</b>	0.14T	0.55T
5:20 AM	Japan	<b>Exports (YoY) (May)</b>	<b>8.1%</b>	7.5%	7.8%
5:20 AM	Japan	<b>Imports (YoY) (May)</b>	<b>14.0%</b>	8.2%	5.9%
5:20 AM	Japan	<b>Trade Balance (May)</b>	<b>-578B</b>	-235B	625B

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