

COMMODITY

Report

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EVERYTHING YOU
NEED TO KNOW
ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Gold settled at a one-year low for a third straight session, pressured by strength in the dollar as testimony from U.S. Federal Reserve Chairman Jerome Powell backed a steady pace of raises to benchmark interest rates. August gold lost \$12.40, or 1%, to settle at \$1,227.30 an ounce, marking the lowest settlement for a most-active contract since July 13, 2017. MCX Gold August expiry closed at Rs. 29729 per 10 gram, down 1.17%.
- U.S. industrial production climbed by 0.6% in June after falling by a downwardly revised 0.5% in May. Manufacturing led the way back to the upside, with manufacturing output rising by 0.8% in June after slumping by 1.0% in May.
- U.S. NAHB/Wells Fargo Housing Market Index remained unchanged in July after dipping to 68 in June.
- The American Petroleum Institute reported that U.S. crude supplies rose by 629,000 barrels for the week ended July 13. The API data also showed supplies of gasoline also climbed by 425,000 barrels, while distillate stockpiles added 1.7 million barrels.
- U.K.'s number of employment was a record high 32.399 million in the March to May period, rising by 137,000 from the previous three months. The unemployment rate remained at 4.2%, which was the joint lowest since 1975.
- Italy's consumer price inflation climbed 1.3% year-over-year in June, faster than the 1.0% rise in May. Core inflation stable at 0.8%. On a monthly basis, consumer prices edged up 0.2% in June, revised down from 0.3%.
- Italy's industrial orders rebounded seasonally adjusted 3.6% month-over-month in May, reversing a 0.6% fall in April. On a yearly basis, growth in orders eased to 4.9% in May from 7.2% in the preceding month.
- Malaysia's consumer price inflation rose 0.8% year-over-year in June, slower than the 1.8% increase in May. On a monthly basis, consumer prices dropped 1.2% in June.

INDEX	17-JULY-18	16-JULY-18	PTS. CH.	% CHANGE
Dow	25119.89	25033.92	85.97	0.34
Nifty	11008.05	10936.85	71.20	0.65
Sensex	36519.96	36323.77	196.19	0.54
USD/INR	68.45	68.57	-0.12	-0.18
Dollar Index	94.73	94.27	0.46	0.49
Euro/\$1US	1.1653	1.1710	-0.0057	-0.49
\$1US/Yen	113.03	112.30	0.73	0.65
Pound/\$1US	1.3105	1.3236	-0.0131	-0.99

MARKET UPDATE

- U.S. stocks closed higher, extending a recent upswing after Federal Reserve Chairman Jerome Powell indicated the U.S. central bank wouldn't move too quickly in changing monetary policy, and that it would be flexible in the face of changing conditions. The S&P 500 closed up by 11.12 points, or 0.4%, to 2,809.55. The Nasdaq Composite Index advanced 49.40 points, or 0.6%, to close at 7,855.12.
- Indian market ended with modest gains boosted by a sharp slide in global crude oil prices. The Nifty settled above the psychologically important 11,000 mark after crossing that level in intraday trade.

CURRENCY UPDATE

The U.S. dollar gained momentum higher versus most of its rivals, as Federal Reserve Chairman Jerome Powell maintained an upbeat outlook for the U.S. economy even in light of the continuing trade spats surrounding the Trump administration. The ICE U.S. dollar index was last up 0.5% at 94.961. The broader WSJ Dollar Index was 0.4% higher at 88.62. The Yen last bought ¥112.86, compared with ¥112.28. The British pound slumped to a session low of \$1.3071 following the vote but recovered some to \$1.3113.

The rupee bounced back to settle at a fresh two-week high of 68.45 against the US currency, gaining 12 paise as crude oil prices beat a hasty retreat, easing inflation and trade deficit worries. The rupee resumed sharply higher at 68.40 against previous close of 68.57 at the Interbank Foreign Exchange (forex) market. The local currency moved to an intra-day high of 68.27 but some dollar demand in afternoon session pushed back to a low of 68.47. It finally closed at 68.45, revealing a gain of 12 paise, or 0.18%. The Financial Benchmarks India private limited (FBIL) fixed the reference rate for the dollar at 68.2978.

BULLION	CLOSING		% CH
	17-JULY-18	16-JULY-18	
Gold Aug MCX	29729	30080	-1.17
Gold Aug Comex	1227	1240	-1.00
Silver Sep MCX	38520	39042	-1.34
Silver Sep Comex	15.617	15.812	-1.23
ENERGY			
Crude Oil Aug MCX	4629	4598	0.67
Crude Aug Nymex	68.08	68.06	0.03
Natural Gas Jul MCX	187.90	189.70	-0.95
Nat. Gas Aug Henry Hub	2.740	2.759	-0.69

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	17-JULY-18	16-JULY-18	
SPDR Gold ETF	794.01	794.01	0.00
iShares Silver Trust	10164.59	10198.24	-0.33

NAME OF THE ETF	CLOSING		RATIO
	17-JULY-18		
Gold v/s Silver	1227	15.617	78.59
Gold v/s Crude Oil	1227	68.08	18.03

(IN TONS)	LME INVENTORIES DATA			% Change
	17-JULY-18	16-JULY-18	Change	
Aluminum	1175075	1155700	19375	1.68
Copper	259725	263520	-3795	-1.44
Nickel	263298	257200	6098	2.37
Lead	127600	127600	0	0.00
Zinc	239625	242050	-2425	-1.00

BASE METALS	CLOSING		% CH
	17-JULY-18	16-JULY-18	
Aluminium Jul	138.95	141.40	-1.73
Copper Aug	417.85	421.45	-0.85
Nickel Jul	923.60	930.50	-0.74
Lead Jul	148.20	148.10	0.07
Zinc Jul	173.00	170.80	1.29

ECONOMIC CALENDER

WEDNESDAY JULY 18, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
7:20 AM	U.S.	API Weekly Crude Oil Stock	0.629M	-6.182M	-6.796M
2:00 PM	U.K.	Core CPI (YoY) (Jun)		2.2%	2.1%
2:00 PM	U.K.	Core PPI Output (MoM) (Jun)		0.2%	0.2%
2:00 PM	U.K.	Core PPI Output (YoY) (Jun)		2.1%	2.1%
2:00 PM	U.K.	Core RPI (YoY) (Jun)			3.4%
2:00 PM	U.K.	Core RPI (MoM) (Jun)			0.4%
2:00 PM	U.K.	CPI (YoY) (Jun)		2.6%	2.4%
2:00 PM	U.K.	CPI (MoM) (Jun)		0.2%	0.4%
2:00 PM	U.K.	House Price Index (YoY)		3.8%	3.9%
2:00 PM	U.K.	PPI Input (MoM) (Jun)		0.4%	2.8%
2:00 PM	U.K.	PPI Input (YoY) (Jun)		10.0%	9.2%
2:00 PM	U.K.	PPI Output (YoY) (Jun)		3.2%	2.9%
2:00 PM	U.K.	PPI Output (MoM) (Jun)		0.3%	0.4%
2:00 PM	U.K.	RPI (YoY) (Jun)		3.5%	3.3%
2:00 PM	U.K.	RPI (MoM) (Jun)		0.4%	0.4%
2:30 PM	Eurozone	Core CPI (YoY) (Jun)		1.0%	1.0%
2:30 PM	Eurozone	Core CPI (MoM) (Jun)		0.1%	0.3%
2:30 PM	Eurozone	CPI (YoY) (Jun)		2.0%	2.0%
2:30 PM	Eurozone	CPI (MoM) (Jun)		0.1%	0.5%
5:00 PM	India	M3 Money Supply			9.8%
6:00 PM	U.S.	Building Permits (MoM) (Jun)		6.0%	-4.6%
6:00 PM	U.S.	Building Permits (Jun)		1.330M	1.301M
6:00 PM	U.S.	Housing Starts (MoM) (Jun)		-2.2%	5.0%
6:00 PM	U.S.	Housing Starts (Jun)		1.320M	1.350M
8:00 PM	U.S.	Crude Oil Inventories		-3.622M	-12.633M
8:00 PM	U.S.	EIA Weekly Distillates Stocks		0.873M	4.125M
8:00 PM	U.S.	Gasoline Inventories		-0.044M	-0.694M

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