

COMMODITY

Report

18 September 2018



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ECONOMIC / GLOBAL NEWS

- Gold futures settled higher, recouping some of their losses from late last week, as investors questioned the dollar rally's near-term durability, offering a demand boost for the dollar-priced precious metal. December gold rose \$4.70, or 0.39%, to settle at \$1,205.80 an ounce. MCX Gold October expiry closed at Rs. 30776 per 10 gram, up 1.12%.
- New York Fed said its general business conditions index fell to 19.0 in September from 25.6 in August.
- U.K. Rightmove house prices gained 0.7% month-on-month in September after a 2.3% decrease.
- Eurozone inflation came in at 2% in August versus 2.1% in July. Core inflation slowed marginally to 1% in August, from 1.1% a month ago.
- Italy's trade surplus rose to EUR 5.67 billion from EUR 5.17 billion in June. This was the highest since last July, when surplus totaled EUR 6.56 billion. The annual growth in exports came in at 6.8% versus 6.9% in June. Meanwhile, imports growth accelerated to 10.8% from 5.9%.
- Australia's house prices were down 0.7% on quarter in the second quarter of 2018, unchanged from the three months prior. On a yearly basis, house prices dipped 0.6% after rising 2.0% in Q1.
- Singapore's exports grew 5% annually in August, following the 11% increase seen in July.
- Indonesia's exports climbed 4.15% year-on-year in August. Meanwhile, imports surged 24.65% annually compared to the 25%. On a monthly basis, exports fell 2.9% to \$15.82 billion and imports declined 7.97% to \$16.84 billion. Consequently, the trade deficit totaled \$1.02 billion, which was bigger than the expected shortfall of \$674 million.
- Turkey's industrial production advanced 5.6% year-on-year in July, following a 2.8% rise in June. Month-on-month, industrial production advanced 3.5% in July, in contrast to a 2.1% drop in June.
- Turkey's jobless rate came in at unadjusted 10.2% in June, the same rate as seen in the same period of last year. The number of unemployed increased to 3.31 million from 3.25 million a year ago.

INDEX	17-SEP-18	14-SEP-18	PTS. CH.	% CHANGE
Dow	26062.46	26154.67	-92.21	-0.35
Nifty	11377.75	11515.20	-137.45	-1.19
Sensex	37585.51	38090.64	-505.13	-1.33
USD/INR	72.51	71.84	0.67	0.93
Dollar Index	94.49	94.92	-0.43	-0.45
Euro/\$1US	1.1669	1.1630	0.0039	0.34
\$1US/Yen	111.69	112.06	-0.37	-0.33
Pound/\$1US	1.3146	1.3068	0.0078	0.60

MARKET UPDATE

- U.S. stocks closed lower, with the S&P 500 and the Dow snapping multiday win streaks, as President Donald Trump prepared to announce additional tariffs on Chinese imports while China hinted at a new round of retaliation. The S&P 500 SPX, -0.56% was off 16.18 points, or 0.6%, to 2,888.80. The Nasdaq Composite Index fell 114.25 points, or 1.4%, to 7,895.79.
- Indian market plunged, tracking weak global cues amid reports US could soon announce a new round of tariffs on Chinese imports, setting the stage for possible reprisals by Beijing. Measures announced by the government this past weekend, which are aimed at stemming rupee's fall and narrowing the current account deficit, failed to cheer investors.

CURRENCY UPDATE

The U.S. dollar weakened firmly, as financial markets worried about renewed escalation of a persistent trade spat between the U.S. and China. The ICE U.S. Dollar Index tracked lower and was last down 0.5% at 94.502. The euro last \$1.1685, benefiting from the weaker buck, compared with \$1.1622. Sterling last bought \$1.3162, compared with \$1.3068.

The rupee weakened in the offshore markets after the government announced measures to restrain its fall. The local currency opened 67 paise down at 72.52 against dollar. The local unit closed at 72.51 a dollar versus 71.86 last Friday. During the day's trading, it extended losses up to 72.69.

BULLION	CLOSING		% CH
	17-SEP-18	14-SEP-18	
Gold Oct MCX	30776	30436	1.12
Gold Dec Comex	1206	1201	0.39
Silver Dec MCX	37433	36993	1.19
Silver Dec Comex	14.223	14.142	0.57
ENERGY			
Crude Oil Oct MCX	5002	4957	0.91
Crude Oct Nymex	68.91	68.99	-0.12
Natural Gas Sep MCX	204.20	200	2.25
Nat. Gas Oct Henry Hub	2.814	2.767	1.70

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	17-SEP-18	14-SEP-18	
SPDR Gold ETF	742.53	742.53	0.00
iShares Silver Trust	10418.84	10418.84	0.00

NAME OF THE ETF	CLOSING		RATIO
	17-SEP-18		
Gold v/s Silver	1206	14.223	84.78
Gold v/s Crude Oil	1206	68.91	17.50

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(IN TONS)	LME INVENTORIES DATA			% Change
	17-SEP-18	14-SEP-18	Change	
Aluminum	1041025	1046700	-5675	-0.54
Copper	221925	225900	-3975	-1.76
Nickel	232212	233592	-1380	-0.59
Lead	118075	118925	-850	-0.71
Zinc	215975	218800	-2825	-1.29

BASE METALS	CLOSING		% CH
	17-SEP-18	14-SEP-18	
Aluminium Sep	146.15	145.00	0.79
Copper Nov	429.75	423.95	1.37
Nickel Sep	888.90	893.40	-0.50
Lead Sep	149.90	146.50	2.32
Zinc Sep	168.45	166.30	1.29

ECONOMIC CALENDER

TUESDAY SEPTEMBER 18 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
7:00 AM	Australia	RBA Meeting Minutes			
1:45 PM	Eurozone	ECB President Draghi Speaks			

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