

COMMODITY

Report

22 May 2018



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ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Oil futures climbed, with the U.S. benchmark settling at a fresh three-and-half-year high, on fears the U.S. could impose new sanctions on Venezuela following weekend elections in the country that were viewed as illegitimate by the opposition and foreign governments. July West Texas Intermediate crude on the New York Mercantile Exchange rose 98 cents, or nearly 1.37%, to settle at \$72.35 a barrel—the highest finish for a front-month contract since Nov. 26, 2014. MCX Crude Oil June expiry closed at Rs. 4938 per barrel, up 1.31%.
- U.K. house prices were up 0.8% on month in May, that followed the 0.4% monthly increase in April. On a yearly basis, house prices advanced 1.1%, slowing from 1.6% in the previous month.
- Australia's consumer confidence index rose to 121.6 during the week ended May 20 from 120.8 in the preceding week.
- South Korea's producer price inflation climbed 1.6% year-on-year in April, faster than March's 1.3% rise, which was revised down from a 1.4% increase reported earlier. Month-on-month, producer prices edged up 0.1% from March, when it remained flat.
- Hong Kong's consumer price inflation climbed 1.9% year-over-year in April, slower than the 2.6% rise seen in March.
- Thailand's gross domestic product grew 4.8% year-on-year, faster than the 4% growth seen in the fourth quarter of 2017. On a quarterly basis, GDP growth improved to 2% from 0.5% a quarter ago.
- Poland's producer prices grew 1.1% year-on-year in April, faster than the 0.5% increase seen in March. Month-on-month, overall producer prices rose 0.3% versus 0.6% increase seen in the previous month.
- Poland's industrial production advanced 9.3% year-over-year in April. On a monthly basis, industrial production contracted 6.8% in April.

INDEX	21-MAY-18	18-MAY-18	PTS. CH.	% CHANGE
Dow	25013.36	24715.09	298.27	1.21
Nifty	10516.70	10596.40	-79.70	-0.75
Sensex	34616.13	34848.30	-232.17	-0.67
USD/INR	68.12	68.01	0.12	0.17
Dollar Index	93.46	93.54	-0.08	-0.09
Euro/\$1US	1.1790	1.1778	0.0012	0.10
\$1US/Yen	111.00	110.75	0.25	0.23
Pound/\$1US	1.3432	1.3474	-0.0042	-0.31

MARKET UPDATE

- The Dow industrials climbed back above 25,000 and the S&P 500 finished at a roughly nine-week high as investors applauded easing trade animosities between the U.S. and China. Meanwhile, the Russell 2000 index of small capitalization stocks booked a fourth record close in a row. The S&P 500 rose 20.04 points to 2,733.01, a gain of 0.7%. The Nasdaq Composite Index rose 39.70 points, or 0.5%, to 7,394.04.
- Indian market declined for a fifth straight session as the political situation in Karnataka left investors uneasy.

CURRENCY UPDATE

- The U.S. dollar retraced its gains after having surged to its loftiest level since late last year, as investors read the most recent development between U.S. and China as evidence of easing trade animosities. The ICE U.S. Dollar Index was little changed at 93.630, after earlier touching a high for 2018 and setting it up for the best finish since November 2017. The WSJ Dollar Index was little changed in negative territory at 87.14. The euro edged 0.1% higher to \$1.777, paring earlier losses. Elsewhere, the British pound slid to \$1.3420, compared with \$1.3466. Against the Japanese yen, the dollar surged to ¥111.04, from ¥110.75.
- The rupee lost another 12 paise to close at fresh 16-month low of 68.12 against the US currency on sustained dollar demand from importers and corporates amid weak global cues. Extending its downtrend, the rupee opened weak at 68.08 from last weekend level of 68.01 at the Interbank Foreign Exchange (Forex) market. It lost further ground in mid-morning deals to hit a fresh intra-day low of 68.16 on sustained dollar pressure before closing at 68.12, showing a loss of 12 paise, or 0.14%. The RBI, meanwhile, fixed the reference rate for the dollar at 68.0883 and for the euro at 79.9289.

BULLION	CLOSING		% CH
	21-MAY-18	18-MAY-18	
Gold Jun MCX	31112	31091	0.07
Gold Jun Comex	1291	1291	-0.03
Silver Jul MCX	40387	40195	0.48
Silver Jul Comex	16.520	16.455	0.40
ENERGY			
Crude Oil Jun MCX	4938	4874	1.31
Crude Jul Nymex	72.35	71.37	1.37
Natural Gas Jun MCX	195.90	197.20	-0.66
Nat. Gas Jun Henry Hub	2.810	2.847	-1.30

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	21-MAY-18	18-MAY-18	
SPDR Gold ETF	852.04	855.28	-0.38
iShares Silver Trust	9984.34	9984.34	0.00

NAME OF THE ETF	CLOSING		RATIO
	21-MAY-18		
Gold v/s Silver	1291	16.520	78.14
Gold v/s Crude Oil	1291	72.35	17.84

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22 May 2018

3

(IN TONS)	LME INVENTORIES DATA			% Change
	21-MAY-18	18-MAY-18	Change	
Aluminum	1234575	1243850	-9275	-0.75
Copper	302900	301475	1425	0.47
Nickel	303576	305748	-2172	-0.71
Lead	133275	133725	-450	-0.34
Zinc	231100	231450	-350	-0.15

BASE METALS	CLOSING		% CH
	21-MAY-18	18-MAY-18	
Aluminium May	155.75	154.80	0.61
Copper Jun	467.85	462.15	1.23
Nickel May	1000.00	995.70	0.43
Lead May	164.25	158.65	3.53
Zinc May	211.30	211.10	0.09

ECONOMIC CALENDER

TUESDAY MAY 22, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
3:30 PM	U.K.	CBI Industrial Trends Orders (May)		2	4

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