

COMMODITY

Report

22 June 2018



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EVERYTHING YOU
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ECONOMIC / GLOBAL NEWS

- Natural Gas prices pared some of their earlier gains after the U.S. Energy Information Administration reported that domestic supplies of natural gas rose by 91 billion cubic feet for the week ended June 15. Total stocks now stand at 2.004 trillion cubic feet, down 757 billion cubic feet from a year ago, and 499 billion below the five-year average, the government said. July natural gas climbed 0.4% to \$2.975 per million British thermal units. MCX Natural Gas July expiry closed at Rs. 202 per British thermal unit, down 0.25%.
- U.S. initial jobless claims dipped to 218,000 in the week ended June 16th, a decrease of 3,000 from the previous week's revised level of 221,000. Continuing claims rose by 22,000 to 1.723 million in the week ended June 9th.
- U.S. house prices rose in April, up 0.1% from the previous month. The previously reported 0.1% increase in March was revised upward to 0.2%. From April 2017 to April 2018, house prices were up 6.4%.
- U.S. Conference Board said its leading economic index edged up by 0.2% in May after climbing by 0.4% in April.
- Policymakers of Bank of England decided to keep the key interest rate unchanged, at 0.50%. All nine members voted to maintain quantitative easing at GBP 435 billion.
- Eurozone consumer morale dropped to -0.5 in June from +0.2 in May.
- France's manufacturing sentiment index held steady at 110 in June from May's initially estimated value of 109.
- Japan's overall nationwide consumer prices were up 0.7% on year in May, unchanged from the April reading. Core CPI also was up 0.7% on year - unchanged from the previous month. On a monthly basis, overall inflation added 0.1% and core CPI was unchanged.
- Japan flash Markit/Nikkei manufacturing PMI rose to a seasonally adjusted 53.1 in June from a final 52.8 in May.

INDEX	21-JUNE-18	20-JUNE-18	PTS. CH.	% CHANGE
Dow	24461.84	24657.80	-195.96	-0.79
Nifty	10741.10	10772.05	-30.95	-0.29
Sensex	35432.39	35547.33	-114.94	-0.32
USD/INR	67.98	68.07	-0.09	-0.13
Dollar Index	94.54	94.72	-0.18	-0.19
Euro/\$1US	1.1604	1.1572	0.0032	0.28
\$1US/¥en	109.96	110.36	-0.40	-0.36
Pound/\$1US	1.3245	1.3173	0.0072	0.55

MARKET UPDATE

- U.S. stocks closed solidly lower, with major indexes suffering one of their worst sessions of the month and the Dow Jones Industrial Average extending its losing streak to an eighth day as fears of a potential global trade war continued to weigh on investor sentiment. The S&P 500 slid 17.56 points to 2,749.76, a decline of 0.6%. The Nasdaq Composite Index sank 68.56 points, or 0.9%, to 7,712.95.
- Indian market closed lower and bond yields fell as fears of a global trade war persisted and RBI's June meeting minutes gave no indication of rate action going forward.

CURRENCY UPDATE

The dollar fell off an 11-month high against a basket of major currencies as the Philadelphia Federal Reserve's gauge of U.S. Mid-Atlantic business activity fell to a near 1-1/2 year low, spurring profit-taking on the greenback. The dollar against the euro, yen, sterling and three other currencies slipped 0.1% to 94.926. The euro rebounded from an 11-month low to \$1.1592 (EUR=), while the greenback decreased 0.4% to 110.93 yen. Elsewhere, sterling rose over 0.5% at \$1.3243.

The rupee gained further ground to end at 67.98 against the US dollar, appreciating by 9 paise on sustained selling of the American currency by exporters and local banks even as Fed officials strike a hawkish tone. Earlier, the rupee resumed lower at 68.16 against previous session close of 68.07. Mirroring weakness in regional currencies, it drifted sharply to hit a low of 68.24 in mid-morning deals before taking sharp U-turn. After retracing a fresh high of 67.95 towards the fag-end trade, the local unit finally settled at 67.98, showing a gain of 9 paise, or 0.13%. The RBI fixed the reference rate for the dollar at 68.1950.

BULLION	CLOSING		% CH
	21-JUNE-18	20-JUNE-18	
Gold Aug MCX	30616	30781	-0.54
Gold Aug Comex	1271	1275	-0.31
Silver Jul MCX	39554	39626	-0.18
Silver Jul Comex	16.326	16.309	0.10
ENERGY			
Crude Oil Jul MCX	4496	4486	0.22
Crude Aug Nymex	65.54	65.71	-0.26
Natural Gas Jul MCX	202.00	202.50	-0.25
Nat. Gas Jul Henry Hub	2.975	2.964	0.37

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	21-JUNE-18	20-JUNE-18	
SPDR Gold ETF	824.63	828.76	-0.50
iShares Silver Trust	9933.22	9769.30	1.68

NAME OF THE ETF	CLOSING		RATIO
	21-JUNE-18		
Gold v/s Silver	1271	16.326	77.82
Gold v/s Crude Oil	1271	65.54	19.39

(IN TONS)	LME INVENTORIES DATA			% Change
	21-JUNE-18	20-JUNE-18	Change	
Aluminum	1131100	1132475	-1375	-0.12
Copper	307675	308975	-1300	-0.42
Nickel	275544	275616	-72	-0.03
Lead	132500	132600	-100	-0.08
Zinc	247450	246175	1275	0.52

BASE METALS	CLOSING		% CH
	21-JUNE-18	20-JUNE-18	
Aluminium Jun	149.25	148.55	0.47
Copper Jun	453.95	457.80	-0.84
Nickel Jun	1018.20	1014.60	0.35
Lead Jun	161.90	163.60	-1.04
Zinc Jun	201.60	206.45	-2.35

ECONOMIC CALENDER

FRIDAY JUNE 22, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
5:00 AM	Japan	National Core CPI (YoY) (May)	0.7%	0.7%	0.7%
5:00 AM	Japan	National CPI (YoY) (May)	0.7%	0.3%	0.6%
5:00 AM	Japan	National CPI (MoM)	0.1%		-0.4%
6:00 AM	Japan	Manufacturing PMI (Jun)	53.1	52.6	52.8
12:15 PM	France	French GDP (QoQ) (Q1)		0.2%	0.2%
12:30 PM	France	French Manufacturing PMI (Jun)		54.0	54.4
12:30 PM	France	French Markit Composite PMI (Jun)		54.2	54.2
12:30 PM	France	French Services PMI (Jun)		54.3	54.3
1:00 PM	Germany	German Composite PMI (Jun)		53.4	53.4
1:00 PM	Germany	German Manufacturing PMI (Jun)		56.3	56.9
1:00 PM	Germany	German Services PMI (Jun)		52.2	52.1
1:30 PM	Eurozone	Manufacturing PMI (Jun)		55.0	55.5
1:30 PM	Eurozone	Markit Composite PMI (Jun)		53.9	54.1
1:30 PM	Eurozone	Services PMI (Jun)		53.7	53.8
4:30 PM	U.K.	BoE Quarterly Bulletin			
5:00 PM	India	Bank Loan Growth			13.1%
5:00 PM	India	Deposit Growth			8.5%
5:00 PM	India	FX Reserves, USD			413.11B
7:15 PM	U.S.	Manufacturing PMI (Jun)		56.3	56.4
7:15 PM	U.S.	Markit Composite PMI		55.1	56.6
7:15 PM	U.S.	Services PMI (Jun)		56.4	56.8
Tentative	U.S.	OPEC Meeting			

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