

COMMODITY

Report

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EVERYTHING YOU
NEED TO KNOW
ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Natural gas prices gapped lower and continue to face downward pressure as traders eye the current weather forecast which is expected to be cooler than normal over the next 8-14 days. August natural gas fell 1.3% to \$2.721 per million British thermal units. MCX Natural Gas August expiry closed at Rs. 187.20 per British thermal unit down 1.00%.
- China's central bank injected record liquidity into the banking system via medium-term lending facility to alleviate funding pressure. The People's Bank of China on Monday offered CNY 502 billion of MLF with one-year maturity. This was the biggest injection via MLF since it was introduced in 2014.
- U.S. existing home sales fell by 0.6% to an annual rate of 5.36 million in June from a downwardly revised rate of 5.41 million in May.
- Eurozone consumer confidence index eased to -0.6 in July from -0.5 in June.
- Greece's current account surplus totaled EUR 191.5 million in May versus a deficit of EUR 658.1 million in May 2017.
- Australia's consumer confidence weakened during the week ended July 22, the consumer confidence index dropped to 118.9 from 121.5 in the preceding week.
- Japan Nikkei manufacturing sector continued to expand in July, with a 20-month low manufacturing PMI score of 51.6. That's down from 53.0 in June.
- Singapore's consumer price inflation climbed 0.6% year-over-year in June, faster than the 0.4% increase in May. On a monthly basis, consumer prices went up 0.1% from May, when it grew by 0.6%.
- Hong Kong's consumer price inflation climbed 2.4% year-over-year in June, faster than the 2.1% rise in May.
- Taiwan's seasonally adjusted jobless rate edged down to 3.68% in June from 3.69% in May. The number of unemployed declined to 437,000 in June from 438,000 in the preceding month.
- Taiwan's industrial production rose 0.36% year-over-year in June, well below the 7.61% spike in May. On a monthly basis, industrial production dropped a seasonally adjusted 2.70% from May, when it rebounded by 1.70%.

INDEX	23-JULY-18	20-JULY-18	PTS. CH.	% CHANGE
Dow	25045.15	25058.12	-12.97	-0.05
Nifty	11084.75	11010.20	74.55	0.68
Sensex	36718.60	36496.37	222.23	0.61
USD/INR	68.86	68.86	-0.01	-0.01
Dollar Index	94.42	94.23	0.19	0.20
Euro/\$1US	1.1694	1.1720	-0.0026	-0.22
\$1US/Yen	111.47	111.41	0.06	0.05
Pound/\$1US	1.3103	1.3134	-0.0031	-0.24

MARKET UPDATE

- The S&P 500 and the Nasdaq close slightly higher thanks to strong bank and technology shares but the Dow extended its losing streak to a third session. The S&P 500 index gained 5.15 points, or 0.2%, to 2,806.98. The Nasdaq Composite Index climbed 21.67 points, or 0.3%, to 7,841.87.
- Indian market began the week on an upbeat note buoyed by the Narendra Modi government winning the no-confidence motion in the Lok Sabha on Friday, 20 July 2018. The Sensex scaled a record high in late trade. Shares also advanced after the government reduced goods and services tax (GST) rate on 88 goods and services.

CURRENCY UPDATE

The U.S. dollar strengthened over the course trading after starting the day weaker and leaving traders to focus on Japan's yen and China's yuan. The ICE U.S. Dollar Index was up 0.2% at 94.631, while the broader WSJ Dollar Index was 0.1% higher at 88.36. Japan's yen last fetched ¥111.41, down from ¥111.44.

The rupee retreated from early high levels to close down with a modest loss of 1 paise at 68.8550 against the US currency on stray dollar demand from importers. The Indian rupee had hit its life-time low of 69.13. The rupee resumed higher at 68.70 against weekend close of 68.8625 at the Interbank Foreign Exchange (forex) market on increased selling of the American currency by exporters and banks. It extended gains to hit a session high of 68.65, but the upside attempts fizzled out quickly following fresh dollar demand. The local currency dropped to a low of 68.87 before settling at 68.8550, showing a loss of 1 paise. The Financial Benchmarks India private limited (FBIL) fixed the reference rate for the dollar at 68.7040.

BULLION	CLOSING		% CH
	23-JULY-18	20-JULY-18	
Gold Oct MCX	30128	30177	-0.16
Gold Aug Comex	1226	1231	-0.45
Silver Sep MCX	38283	38457	-0.45
Silver Sep Comex	15.425	15.549	-0.80
ENERGY			
Crude Oil Aug MCX	4690	4707	-0.36
Crude Sep Nymex	67.89	68.26	-0.54
Natural Gas Aug MCX	187.20	189.10	-1.00
Nat. Gas Sep Henry Hub	2.695	2.728	-1.21

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	23-JULY-18	20-JULY-18	
SPDR Gold ETF	802.55	798.13	0.55
iShares Silver Trust	10231.89	10231.89	0.00

NAME OF THE ETF	CLOSING		RATIO
	23-JULY-18		
Gold v/s Silver	1226	15.425	79.46
Gold v/s Crude Oil	1226	67.89	18.05

(IN TONS)	LME INVENTORIES DATA			% Change
	23-JULY-18	20-JULY-18	Change	
Aluminum	1209275	1208400	875	0.07
Copper	254700	255325	-625	-0.24
Nickel	260718	259266	1452	0.56
Lead	127375	128275	-900	-0.70
Zinc	250400	233200	17200	7.38

BASE METALS	CLOSING		% CH
	23-JULY-18	20-JULY-18	
Aluminium Jul	141.80	140.65	0.82
Copper Aug	420.05	420.35	-0.07
Nickel Jul	918.40	926.30	-0.85
Lead Jul	146.00	146.35	-0.24
Zinc Jul	177.35	179.35	-1.12

ECONOMIC CALENDER

TUESDAY JULY 24, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
6:00 AM	Japan	Manufacturing PMI (Jul)	51.6	53.2	53.0
10:30 AM	Japan	BoJ Core CPI (YoY)			0.5%
12:15 PM	France	French Business Survey (Jul)		110	110
12:30 PM	France	French Manufacturing PMI (Jul)		52.6	52.5
12:30 PM	France	French Markit Composite PMI (Jul)		54.8	55.0
12:30 PM	France	French Services PMI (Jul)		55.7	55.9
1:00 PM	Germany	German Composite PMI (Jul)		54.7	54.8
1:00 PM	Germany	German Manufacturing PMI (Jul)		55.5	55.9
1:00 PM	Germany	German Services PMI (Jul)		54.6	54.5
1:30 PM	Eurozone	Manufacturing PMI (Jul)		54.7	54.9
1:30 PM	Eurozone	Markit Composite PMI (Jul)		54.8	54.9
1:30 PM	Eurozone	Services PMI (Jul)		55.0	55.2
3:30 PM	U.K.	CBI Industrial Trends Orders (Jul)		8	13
6:30 PM	U.S.	House Price Index (MoM) (May)		0.4%	0.1%
7:15 PM	U.S.	Manufacturing PMI (Jul)		55.1	55.4
7:15 PM	U.S.	Services PMI (Jul)		56.5	56.5

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