

COMMODITY

Report

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EVERYTHING YOU
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ABOUT THE COMMODITY



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ECONOMIC / GLOBAL NEWS

- Gold rallied, settling above the key \$1,300-an-ounce level for the first time in over a week, as the U.S. stock market, dollar and Treasury yields declined following President Donald Trump's cancellation of a planned meeting with North Korean leader Kim Jong Un. June gold jumped \$14.80, or nearly 1.15%, higher to settle at \$1,304.40 an ounce—the highest finish for a most-active contract since May 14. MCX Gold June expiry closed at Rs. 31474 per 10 gram, up 0.93%.
- U.S. initial jobless claims climbed to 234,000 in the week ended May 19th, an increase of 11,000 from the previous week's revised level of 223,000. Continuing claims increased by 29,000 to 1.741 million in the week ended May 12th.
- U.S. existing home sales tumbled by 2.5% to an annual rate of 5.46 million in April after climbing by 1.1% to a rate of 5.60 million in March.
- U.S. house price index rose weakly in March, on a sequential basis, the index rose 0.1%. The annual rate of home price appreciation dropped to 6.7% in March from 7.4% in the prior month.
- The U.S. Energy Information Administration reported that domestic supplies of natural gas rose by 91 billion cubic feet for the week ended May 18. Total stocks now stand at 1.629 trillion cubic feet, down 804 billion cubic feet from a year ago, and 499 billion below the five-year average, the government said.
- U.K. retail sales expanded 1.6% month-on-month in April, in contrast to a 1.1% fall in March. Core retail sales volume increased 1.3%, reversing a 0.5% drop in March. On a yearly basis, retail sales rose 1.4% in April after expanding 1.3% in March. Core sales volume advanced 1.5% versus 1.3% rise a month ago.
- Germany's gross domestic product grew 0.3% sequentially in the first quarter, slower than the 0.6% expansion seen in the previous quarter. On a yearly basis, calendar-adjusted GDP climbed 2.3% after expanding 2.9% in the fourth quarter.
- Germany's GfK consumer sentiment index dropped by 0.1 points to 10.7 in June. The economic expectations index held steady at 37.4 in May.
- France's manufacturing sentiment index held steady at 109 in May. The corresponding index dropped to 15 from 23.

INDEX	24-MAY-18	23-MAY-18	PTS. CH.	% CHANGE
Dow	24811.00	24886.81	-75.81	-0.30
Nifty	10513.85	10430.35	83.50	0.80
Sensex	34663.11	34344.91	318.20	0.93
USD/INR	68.34	68.42	-0.08	-0.11
Dollar Index	93.72	93.91	-0.19	-0.20
Euro/\$1US	1.1723	1.1709	0.0014	0.12
\$1US/¥en	109.31	109.88	-0.57	-0.52
Pound/\$1US	1.3383	1.3370	0.0013	0.10

MARKET UPDATE

Market Update

- U.S. stocks finished in the red as a sharp decline in energy-related shares pressured the broader market lower. On a brighter note, the three main equity benchmarks closed off the worst levels of the session after President Donald Trump canceled a planned summit with North Korean leader Kim Jong Un, citing "open hostility" from the country. The S&P 500 fell 5.53 points, or 0.2% to 2,727.76. The technology-centric Nasdaq Composite Index finished little-changed, off 1.53 points, or less than 0.1%, at 7,424.43.
- Indian market posted strong gains on broad-based buying demand in index pivots.

CURRENCY UPDATE

Currency Update

- The U.S. dollar index extended its recent downtrend, pulling further from a 2018 peak, after President Donald Trump canceled a North Korean summit and potential import tariffs on cars brought up renewed fears over trade wars. The ICE U.S. Dollar Index dropped 0.3% to 93.754. The broader WSJ Dollar Index slipped 0.2% to 87.00. The dollar slipped to a two-week low and last bought ¥109.27 down from ¥110.08 against the Japanese yen. Separately, the British pound climbed to \$1.3389 from \$1.3348. The euro also recovered from Wednesday's losing session and rose to \$1.1728 versus \$1.1699.
- The rupee rebounded from near 18-month lows to close with gains of 8 paise at 68.34 against the US dollar as the greenback fell against global currencies after minutes of the Federal Reserve committee revealed a relatively dovish stance over interest rate hikes. The rupee resumed higher at 68.30 from previous close of 68.42. It later moved in a narrow range of 68.28 and 68.42 for most part of the day before ending at 68.34, revealing a smart gain of 8 paise, or 0.11%. Yesterday, the home unit had lost 38 paise to hit a near 18-month low of 68.42 against the US dollar. The RBI fixed the reference rate for the dollar at 68.3872.

BULLION	CLOSING		% CH
	24-MAY-18	23-MAY-18	
Gold Jun MCX	31474	31183	0.93
Gold Jun Comex	1304	1290	1.15
Silver Jul MCX	40882	40274	1.51
Silver Jul Comex	16.687	16.405	1.72
ENERGY			
Crude Oil Jun MCX	4859	4913	-1.10
Crude Jul Nymex	70.71	71.84	-1.57
Natural Gas Jun MCX	203.70	203.50	0.10
Nat. Gas Jul Henry Hub	2.971	2.955	0.54

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	24-MAY-18	23-MAY-18	
SPDR Gold ETF	852.04	852.04	0.00
iShares Silver Trust	9984.34	9984.34	0.00

NAME OF THE ETF	CLOSING		RATIO
	24-MAY-18		
Gold v/s Silver	1304	16.687	78.17
Gold v/s Crude Oil	1304	70.71	18.45

(IN TONS)	LME INVENTORIES DATA			% Change
	24-MAY-18	23-MAY-18	Change	
Aluminum	1227900	1231000	-3100	-0.25
Copper	300125	298000	2125	0.71
Nickel	296898	297672	-774	-0.26
Lead	133300	133300	0	0.00
Zinc	229275	230000	-725	-0.32

BASE METALS	CLOSING		% CH
	24-MAY-18	23-MAY-18	
Aluminium May	156.90	155.15	1.13
Copper Jun	469.05	465.15	0.84
Nickel May	1015.80	996.00	1.99
Lead May	170.40	168.75	0.98
Zinc May	208.00	207.30	0.34

ECONOMIC CALENDER

FRIDAY MAY 25, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
12:15 PM	France	French Consumer Confidence (May)		100	101
1:30 PM	Germany	German Business Expectations (May)		99.5	98.7
1:30 PM	Germany	German Current Assessment (May)		106.0	105.7
1:30 PM	Germany	German Ifo Business Climate Index (May)		102.7	102.1
2:00 PM	U.K.	GDP (YoY) (Q1)		1.2%	1.2%
2:00 PM	U.K.	GDP (QoQ) (Q1)		0.1%	0.1%
2:00 PM	U.K.	Index of Services		0.3%	0.4%
5:00 PM	India	Bank Loan Growth			12.6%
5:00 PM	India	Deposit Growth			8.2%
5:00 PM	India	FX Reserves, USD			417.70B
6:00 PM	U.S.	Core Durable Goods Orders (MoM) (Apr)		0.5%	-0.1%
6:00 PM	U.S.	Durable Goods Orders (MoM) (Apr)		-1.4%	2.6%
7:30 PM	U.S.	Michigan Consumer Sentiment (May)		98.8	98.8

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