

# COMMODITY

## Report

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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Gold futures finished with a loss, with the precious metal marking another low year to date, even as the U.S. dollar, strong throughout the month, weakened against its currency rivals. August gold fell \$1.80, or 0.1%, to settle at \$1,268.90 an ounce-its finish of 2018 so far. MCX Gold August expiry closed at Rs. 30657 per 10 gram, up 0.15%.
- China's central bank lowered the reserve requirement of some lenders to free up as much as CNY700 billion or \$108 billion funds to provide liquidity support for small businesses struggling with debt. The People's Bank of China said in a statement that it will reduce the ratio of cash that banks should retain as reserves by 50 basis points. The cut in RRR will support qualified debt-to-equity swap programs targeted at firms burdened with debt. The decision will take effect on July 5.
- U.S. new home sales spiked by 6.7% to an annual rate of 689,000 in May after plunging by 3.7% to a revised rate of 646,000 in April.
- Germany's Ifo business confidence index fell to 101.8 in June. The initially estimated score for May was 102.2. The current conditions index came in at 105.1 from May's initial value of 106.0.
- Spain's producer price inflation grew 2.9% year-on-year in May, faster than the 1.8% increase in April. Month-on-month, producer prices grew at a pace of 1.1% after rising 0.7% in the previous period.
- Australia's consumer confidence index dropped to 121.4 for the second straight time during the week ended June 24, from 122.1 in the preceding week.
- Japan producer prices were up 1.0% on year in May, following an upward revision from 0.9%. On a monthly basis, producer prices eased 0.1% after gaining 0.2% in April.
- Taiwan's industrial production advanced 7.05% year-over-year in May, but slower than the 8.82% spike in April. On a monthly basis, industrial production rebounded 1.30% from April, when it dropped by 2.68%.
- Malta's current account surplus rose to EUR 390.5 million in the first quarter from EUR 247.1 million in the corresponding period last year.

INDEX	25-JUNE-18	22-JUNE-18	PTS. CH.	% CHANGE
<b>Dow</b>	24252.80	24580.89	<b>-328.09</b>	<b>-1.33</b>
<b>Nifty</b>	10762.45	10821.85	<b>-59.40</b>	<b>-0.55</b>
<b>Sensex</b>	35470.35	35689.60	<b>-219.25</b>	<b>-0.61</b>
<b>USD/INR</b>	68.12	67.84	<b>0.29</b>	<b>0.42</b>
<b>Dollar Index</b>	93.95	94.18	<b>-0.23</b>	<b>-0.24</b>
<b>Euro/\$1US</b>	1.1701	1.1657	<b>0.0044</b>	<b>0.38</b>
<b>\$1US/Yen</b>	109.64	109.97	<b>-0.33</b>	<b>-0.30</b>
<b>Pound/\$1US</b>	1.3278	1.3270	<b>0.0008</b>	<b>0.06</b>

## MARKET UPDATE

- U.S. stocks closed sharply lower, with major indexes seeing their biggest one-day drop in weeks and the Dow bearishly closing below a closely watched level for the first time in two years as fresh threats from President Donald Trump against U.S. trading partners underlined how the risk of protectionist policies has not left the market. The S&P 500 fell 37.81 points, or 1.4%, to 2,717.07. The Nasdaq Composite Index declined 160.81 points, or 2.1%, to 7,532.01.
- Indian market followed global peers lower as trade worries persisted and oil prices traded mixed after last day's strong rally.

## CURRENCY UPDATE

- Trade-war worries remained front and center, following President Donald Trump's latest tariff salvos against some of its largest global partners. In response, traditional haven currencies like Japan's yen strengthened. The ICE U.S. Dollar Index was last down 0.2% at 94.290. The yen was up 0.2% against the greenback, with one dollar buying ¥109.79.
- Halting its three-day rally, the rupee took a severe beating and ended sharply lower by 29 paise at 68.12 against the US currency due to month-end demand for the American unit from importers and banks. At the interbank foreign exchange (forex) market, the Indian currency opened lower at 68.00 from weekend close of 67.84. After plunging to session low of 68.17 towards the tail-end, the rupee finally ended at 68.12, showing a steep loss of 29 paise, or 0.42%. The RBI fixed the reference rate for the dollar at 68.1466.

BULLION	CLOSING		% CH
	25-JUNE-18	22-JUNE-18	
<b>Gold Aug MCX</b>	30657	30610	<b>0.15</b>
<b>Gold Aug Comex</b>	1269	1271	<b>-0.14</b>
<b>Silver Sep MCX</b>	40286	40432	<b>-0.36</b>
<b>Silver Jul Comex</b>	16.328	16.459	<b>-0.80</b>
<b>ENERGY</b>			
<b>Crude Oil Jul MCX</b>	4658	4672	<b>-0.30</b>
<b>Crude Aug Nymex</b>	68.08	68.58	<b>-0.73</b>
<b>Natural Gas Jul MCX</b>	199.50	200.50	<b>-0.50</b>
<b>Nat. Gas Aug Henry Hub</b>	2.921	2.945	<b>-0.81</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	25-JUNE-18	22-JUNE-18	
<b>SPDR Gold ETF</b>	820.21	824.63	<b>-0.54</b>
<b>iShares Silver Trust</b>	9933.22	9962.49	<b>-0.29</b>

NAME OF THE ETF	CLOSING		RATIO
	25-JUNE-18		
<b>Gold v/s Silver</b>	1269	16.328	<b>77.71</b>
<b>Gold v/s Crude Oil</b>	1269	68.08	<b>18.64</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	25-JUNE-18	22-JUNE-18	Change	
<b>Aluminum</b>	1123700	1128325	<b>-4625</b>	<b>-0.41</b>
<b>Copper</b>	305525	305975	<b>-450</b>	<b>-0.15</b>
<b>Nickel</b>	274242	274476	<b>-234</b>	<b>-0.09</b>
<b>Lead</b>	132250	132425	<b>-175</b>	<b>-0.13</b>
<b>Zinc</b>	249450	247250	<b>2200</b>	<b>0.89</b>

BASE METALS	CLOSING		% CH
	25-JUNE-18	22-JUNE-18	
<b>Aluminium Jul</b>	147.30	148.70	<b>-0.94</b>
<b>Copper Aug</b>	454.80	460.40	<b>-1.22</b>
<b>Nickel Jul</b>	1007.40	1043.20	<b>-3.43</b>
<b>Lead Jul</b>	164.85	164.75	<b>0.06</b>
<b>Zinc Jul</b>	195.95	201.30	<b>-2.66</b>

## ECONOMIC CALENDER

TUESDAY JUNE 26, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
10:30 AM	Japan	<b>BoJ Core CPI (YoY)</b>			0.5%
7:30 PM	U.S.	<b>CB Consumer Confidence (Jun)</b>		127.6	128.0

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