

# COMMODITY

## Report

26 September 2018



**SHRIRAM INSIGHT SHARE BROKERS LIMITED**

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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Silver futures eked out back-to-back gains as the dollar index softened ahead of the Federal Reserve decision, which could yield a third rate increase of the year. December silver added 1.06% to \$14.493 an ounce. MCX Silver December expiry closed at Rs. 38242 per kg, up 0.99%.
- U.S. house prices rose 0.2% in July from the previous month. The initially reported 0.2% increase in June was revised upward to 0.3%. From July 2017 to July 2018, house prices were up 6.4%.
- U.S. Conference Board said its consumer confidence index climbed to 138.4 in September from an upwardly revised 134.7 in August.
- The American Petroleum Institute reported that U.S. crude supplies rose by 2.9 million barrels for the week ended Sept. 21. The API data also showed supplies of gasoline up 949,000 million barrels, but distillates fell by 944,000 million barrels.
- Germany's wholesale price inflation rose to 3.8% in August from 3.6% in July. On a monthly basis, wholesale prices gained 0.3% in August, faster than July's 0.1% rise.
- French manufacturing sentiment index fell to 107 in September from 110 in August.
- Italy's non-EU merchandise trade surplus fell to EUR 1.749 billion in August from EUR 2.527 billion in the same month last year. Exports rose 4.5% and imports grew 12.4%.
- Spain's producer price inflation climbed to 5.2% in August from 4.6% in July. On a monthly basis, producer prices gained 0.5% in August after rising 0.4% in July.
- Taiwan's industrial production gained 1.33% on year in August, following July's 4.69% increase. On a monthly basis, industrial production climbed by seasonally adjusted 0.76% in August.
- New Zealand had a record merchandise trade deficit of NZ\$1.484 billion in August - representing 37% of exports, following the revised deficit of NZ\$196 million in July (originally -NZ\$143 million).

INDEX	25-SEP-18	24-SEP-18	PTS. CH.	% CHANGE
<b>Dow</b>	26492.21	26562.05	<b>-69.84</b>	<b>-0.26</b>
<b>Nifty</b>	11067.45	10967.40	<b>100.05</b>	<b>0.91</b>
<b>Sensex</b>	36652.06	36305.02	<b>347.04</b>	<b>0.96</b>
<b>USD/INR</b>	72.69	72.63	<b>0.06</b>	<b>0.08</b>
<b>Dollar Index</b>	93.71	93.78	<b>-0.07</b>	<b>-0.07</b>
<b>Euro/\$1US</b>	1.1763	1.1748	<b>0.0015</b>	<b>0.13</b>
<b>\$1US/Yen</b>	112.98	112.81	<b>0.17</b>	<b>0.15</b>
<b>Pound/\$1US</b>	1.3180	1.3121	<b>0.0059</b>	<b>0.45</b>

## MARKET UPDATE

- U.S. stocks finished mostly lower amid subdued activity as investors limited big bets ahead of the Federal Reserve's monetary-policy decision on Wednesday. Concerns about continuing trade tensions lingered, further capping the market's upside momentum. The S&P 500 index shed 3.81 points, or 0.1%, to 2,915.56. The Nasdaq Composite Index gained 14.22 points, or 0.2%, to 8,007.47.
- Indian market ended the volatile session with decent gains as bargain hunting emerged after steep losses in past few trading sessions.

## CURRENCY UPDATE

Major currencies saw muted action as investors awaited the Federal Reserve's highly anticipated interest-rate decision and policy update, the major event of the week. The U.S. dollar edged slightly lower but trade was mostly sideways, as the market positions for the Federal Open Market Committee's decision. The ICE U.S. Dollar Index was last little changed at 94.192. The euro strengthened slightly against greenback, buying \$1.1767 versus \$1.1749.

The rupee weakened further by 6 paise to close at 72.69 to the US dollar on sustained demand for the American currency amid soaring crude prices. The Indian currency dangerously slipped to a low of 72.96 in early trade. It briefly touched a high of 72.57 in mid-afternoon deals. At the inter-bank foreign exchange (forex) market, the rupee opened sharply lower at 72.89 from overnight close of 72.63 on sustained dollar demand. The home unit picked up the pace in the second half of trade to touch day's high of 72.57 before ending the day at 72.69, revealing a loss of 6 paise, or 0.08%. The Financial Benchmarks India private limited fixed the reference rate for the dollar at 72.8134.

BULLION	CLOSING		% CH
	25-SEP-18	24-SEP-18	
<b>Gold Dec MCX</b>	31123	31130	<b>-0.02</b>
<b>Gold Dec Comex</b>	1205	1204	<b>0.06</b>
<b>Silver Dec MCX</b>	38242	37867	<b>0.99</b>
<b>Silver Dec Comex</b>	14.493	14.341	<b>1.06</b>
<b>ENERGY</b>			
<b>Crude Oil Oct MCX</b>	5271	5273	<b>-0.04</b>
<b>Crude Nov Nymex</b>	72.28	72.08	<b>0.28</b>
<b>Natural Gas Oct MCX</b>	223.10	221.50	<b>0.72</b>
<b>Nat. Gas Nov Henry Hub</b>	3.058	3.029	<b>0.96</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	25-SEP-18	24-SEP-18	
<b>SPDR Gold ETF</b>	742.23	742.23	<b>0.00</b>
<b>iShares Silver Trust</b>	10420.30	10471.46	<b>-0.49</b>

NAME OF THE ETF	CLOSING		RATIO
	25-SEP-18		
<b>Gold v/s Silver</b>	1205	14.493	<b>83.15</b>
<b>Gold v/s Crude Oil</b>	1205	72.28	<b>16.67</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	25-SEP-18	24-SEP-18	Change	
<b>Aluminum</b>	1006775	1013050	<b>-6275</b>	<b>-0.62</b>
<b>Copper</b>	212925	214350	<b>-1425</b>	<b>-0.66</b>
<b>Nickel</b>	229464	229722	<b>-258</b>	<b>-0.11</b>
<b>Lead</b>	116350	116600	<b>-250</b>	<b>-0.21</b>
<b>Zinc</b>	204975	206375	<b>-1400</b>	<b>-0.68</b>

BASE METALS	CLOSING		% CH
	25-SEP-18	24-SEP-18	
<b>Aluminium Oct</b>	150.50	149.10	<b>0.94</b>
<b>Copper Nov</b>	457.35	459.10	<b>-0.38</b>
<b>Nickel Oct</b>	942.10	935.10	<b>0.75</b>
<b>Lead Oct</b>	146.80	148.25	<b>-0.98</b>
<b>Zinc Oct</b>	184.50	185.00	<b>-0.27</b>

## ECONOMIC CALENDER

### WEDNESDAY SEPTEMBER 26 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>2.903M</b>	-3.677M	1.250M
12:15 PM	France	<b>French Consumer Confidence (Sep)</b>		97	97
3:30 PM	U.K.	<b>CBI Distributive Trades Survey (Sep)</b>		18	29
5:00 PM	India	<b>M3 Money Supply</b>			10.3%
7:30 PM	U.S.	<b>New Home Sales (MoM) (Aug)</b>		0.5%	-1.7%
7:30 PM	U.S.	<b>New Home Sales (Aug)</b>		630K	627K
8:00 PM	U.S.	<b>Crude Oil Inventories</b>		-1.279M	-2.057M
8:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		0.752M	0.839M
8:00 PM	U.S.	<b>Gasoline Inventories</b>		0.788M	-1.719M
11:30 PM	U.S.	<b>FOMC Economic Projections</b>			
11:30 PM	U.S.	<b>FOMC Statement</b>			
11:30 PM	U.S.	<b>Fed Interest Rate Decision</b>		2.25%	2.00%