

# COMMODITY

## Report

27 June 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Oil futures surged, with the U.S. benchmark settling above \$70 for the first time since May, buoyed by news that the U.S. is pushing for countries to cut Iran oil imports to zero by November, and uncertainty over Libyan crude exports. August West Texas Intermediate crude, the U.S. benchmark, rose \$2.45, or 3.6%, to ended at \$70.53 a barrel on the New York Mercantile Exchange. MCX Crude Oil July expiry closed at Rs. 4815 per barrel, up 3.37%.
- China's industrial profit rose 21.1% from a year earlier in May, decelerating from April's growth. In April, China's industrial companies reported a 21.9% increase in profit.
- U.S. Conference Board said its consumer confidence index fell to 126.4 in June from a revised 128.8 in May.
- The American Petroleum Institute reported that U.S. crude supplies dropped by 9.2 million barrels for the week ended June 22. The API data, however, showed a rise of nearly 1.2 million barrels in gasoline stockpiles, while inventories of distillates rose by 1.8 million barrels.
- U.K.'s number of mortgage approvals increased to 39,244 in May from 38,327 in April. This was the highest since January and above the expected level of 38,250. Gross mortgage lending for the total market in May increased 8.8% from a year ago to GBP 22.2 billion.
- Hong Kong's trade deficit rose to HK\$43.2 billion in May from HK\$35.6 billion in the corresponding month last year. However, the shortfall declined from HK\$46.9 billion in April. Exports surged 15.9% year-over-year in May, while imports also registered a double-digit growth of 16.5% over the year.
- Singapore's industrial production surged 11.1% year-over-year in May, faster than the 9.1% spike in April. On a monthly basis, industrial production increased a seasonally adjusted 0.4% from April, when it rose by 0.5%.
- South Africa's composite leading index fell to 105.9 in April from 106.2 in March. The coincident index that reflects the current economic activity edged up to 102.5 in March from 102.3 in February. Meanwhile, the lagging index decreased to 94.6 from 95.2.
- Finland's jobless rate climbed to 9.3% in May from 8.6% in April. The number of unemployed people rose to 261,000 in May from 233,000 in April. A year ago, the jobless figure totaled 297,000.
- Sweden's producer price inflation climbed 6.3% year-over-year May, faster than April's 4.9% increase. On a monthly basis, producer prices went up 1.4% from April, when it increased by 0.6%.
- Malta's producer price inflation climbed 5.6% year-over-year in May, slower than the 6.7% rise in April. On a monthly basis, producer prices edged up 0.1% from April, when it increased by 0.2%.

INDEX	26-JUNE-18	25-JUNE-18	PTS. CH.	% CHANGE
<b>Dow</b>	24281.07	24252.80	<b>28.27</b>	<b>0.12</b>
<b>Nifty</b>	10769.15	10762.45	<b>6.70</b>	<b>0.06</b>
<b>Sensex</b>	35490.04	35470.35	<b>19.69</b>	<b>0.06</b>
<b>USD/INR</b>	68.24	68.12	<b>0.12</b>	<b>0.18</b>
<b>Dollar Index</b>	94.36	93.94	<b>0.42</b>	<b>0.45</b>
<b>Euro/\$1US</b>	1.1650	1.1704	<b>-0.0054</b>	<b>-0.46</b>
<b>\$1US/Yen</b>	110.12	109.78	<b>0.34</b>	<b>0.31</b>
<b>Pound/\$1US</b>	1.3220	1.3277	<b>-0.0057</b>	<b>-0.43</b>

## MARKET UPDATE

- U.S. stocks closed off session highs, though still in positive territory, as equity benchmarks attempted to recover some of the sharp losses from the previous session. The S&P 500 index gained 5.99 points to 2,723.06, a gain of 0.2%. The Nasdaq Composite Index added 29.62 points to 7,561.63, a move of 0.4%.
- Indian market moved in a narrow range before finishing on a flat note, tracking mixed global cues amid conflicting signals from the Trump administration over proposed restrictions on foreign investment in U.S. technology companies.

## CURRENCY UPDATE

The U.S. dollar strengthened, rebounding from a lower start to the week, though the trade spat between the U.S. and its allies and partners continued to weigh. The ICE U.S. Dollar Index was up 0.5% at 94.759. The broader WSJ Dollar Index was up 0.4% at 88.07. The Yen last fetched ¥110.15, up 0.3%.

The rupee lost further ground to end at a fresh one-week low of 68.24, depreciating by 12 paise against the US currency on increased dollar demand amid global policy uncertainties. At the interbank foreign exchange (forex) market, the Indian unit resumed virtually flat at 68.13, but quickly gained ground to hit a high of 68.07 briefly due to bouts of dollar selling. The mid-morning recovery was shortlived as rupee succumbed to fresh selling pressure and retreated sharply to touch a session low of 68.26 before ending at 68.24, showing a loss of 12 paise, or 0.18%. The RBI fixed the reference rate for the dollar at 68.1676.

BULLION	CLOSING		% CH
	26-JUNE-18	25-JUNE-18	
<b>Gold Aug MCX</b>	30554	30657	<b>-0.34</b>
<b>Gold Aug Comex</b>	1260	1269	<b>-0.71</b>
<b>Silver Sep MCX</b>	40296	40286	<b>0.02</b>
<b>Silver Jul Comex</b>	16.250	16.328	<b>-0.48</b>
<b>ENERGY</b>			
<b>Crude Oil Jul MCX</b>	4815	4658	<b>3.37</b>
<b>Crude Aug Nymex</b>	70.53	68.08	<b>3.60</b>
<b>Natural Gas Jul MCX</b>	200.40	199.50	<b>0.45</b>
<b>Nat. Gas Aug Henry Hub</b>	2.931	2.921	<b>0.34</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	26-JUNE-18	25-JUNE-18	
<b>SPDR Gold ETF</b>	824.63	820.21	<b>0.54</b>
<b>iShares Silver Trust</b>	9933.22	9933.22	<b>0.00</b>

NAME OF THE ETF	CLOSING		RATIO
	26-JUNE-18		
<b>Gold v/s Silver</b>	1260	16.250	<b>77.53</b>
<b>Gold v/s Crude Oil</b>	1260	70.53	<b>17.86</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	26-JUNE-18	25-JUNE-18	Change	
<b>Aluminum</b>	1122425	1123700	<b>-1275</b>	<b>-0.11</b>
<b>Copper</b>	303100	305525	<b>-2425</b>	<b>-0.79</b>
<b>Nickel</b>	274176	274242	<b>-66</b>	<b>-0.02</b>
<b>Lead</b>	132050	132250	<b>-200</b>	<b>-0.15</b>
<b>Zinc</b>	249400	249450	<b>-50</b>	<b>-0.02</b>

BASE METALS	CLOSING		% CH
	26-JUNE-18	25-JUNE-18	
<b>Aluminium Jul</b>	150.05	147.30	<b>1.87</b>
<b>Copper Aug</b>	458.25	454.80	<b>0.76</b>
<b>Nickel Jul</b>	1018.00	1007.40	<b>1.05</b>
<b>Lead Jul</b>	165.70	164.85	<b>0.52</b>
<b>Zinc Jul</b>	196.70	195.95	<b>0.38</b>

## ECONOMIC CALENDER

WEDNESDAY JUNE 27, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>-9.228M</b>	-2.500M	-3.016M
12:15 PM	France	<b>French Consumer Confidence (Jun)</b>		100	100
1:30 PM	Eurozone	<b>M3 Money Supply (YoY) (May)</b>		3.8%	3.9%
1:30 PM	Eurozone	<b>Private Sector Loans (YoY)</b>		3.0%	2.9%
6:00 PM	U.S.	<b>Core Durable Goods Orders (MoM) (May)</b>		0.5%	0.9%
6:00 PM	U.S.	<b>Durable Goods Orders (MoM) (May)</b>		-0.9%	-1.6%
6:00 PM	U.S.	<b>Goods Trade Balance (May)</b>		-68.90B	-67.34B
6:00 PM	U.S.	<b>Wholesale Inventories (MoM)</b>		0.2%	0.1%
7:30 PM	U.S.	<b>Pending Home Sales (MoM) (May)</b>		1.1%	-1.3%
8:00 PM	U.S.	<b>Crude Oil Inventories</b>		-2.572M	-5.914M
8:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		0.774M	2.715M
8:00 PM	U.S.	<b>Gasoline Inventories</b>		1.313M	3.277M

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