

# COMMODITY

## Report

27 September 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- Natural gas prices tumbled lower into the close ahead of inventory report from the Department of Energy. The move comes despite the resurgence of Tropical Storm Kurt which is now headed toward the Caribbean sea. October natural gas fell 8 cents or 2.55% to finish at \$2.980 per million British thermal units. MCX Natural Gas October expiry closed at Rs. 218.60 per British thermal unit, down 2.02%.
- Federal Reserve announced its decision to raise interest rates by 25 basis points. The Fed decided to raise the target range for the federal funds rate to 2 to 2.25%.
- U.S. new home sales soared by 3.5% to an annual rate of 629,000 in August after slumping by 1.6% to a revised rate of 608,000 in July.
- The Energy Information Administration reported that domestic crude supplies rose by 1.9 million barrels for the week ended Sept. 21. Gasoline stockpiles rose 1.5 million barrels for the week, while distillate stockpiles fell by 2.2 million barrels, according to the EIA.
- U.K. CBI retail sales balance fell to 23% in September from 29% in August.
- U.K.'s number of mortgages approved for house purchases in August decreased to 39,402 from 39,619 in July.
- France's consumer sentiment index fell to 94 in September from revised 96 in August.
- Swiss investor confidence index fell to -30.8 in September from -14.3 in August.
- Sweden's trade deficit totaled SEK 5.3 billion in August compared to July's SEK 0.7 billion shortfall. Nonetheless, the deficit narrowed from SEK 6.7 billion logged a year ago. On a yearly basis, exports advanced 15% and imports grew 12% in August.

INDEX	26-SEP-18	25-SEP-18	PTS. CH.	% CHANGE
<b>Dow</b>	26392.13	26492.21	<b>-100.08</b>	<b>-0.38</b>
<b>Nifty</b>	11053.80	11067.45	<b>-13.65</b>	<b>-0.12</b>
<b>Sensex</b>	36542.27	36652.06	<b>-109.79</b>	<b>-0.30</b>
<b>USD/INR</b>	72.61	72.69	<b>-0.08</b>	<b>-0.12</b>
<b>Dollar Index</b>	93.77	93.71	<b>0.06</b>	<b>0.06</b>
<b>Euro/\$1US</b>	1.1747	1.1772	<b>-0.0025</b>	<b>-0.21</b>
<b>\$1US/¥en</b>	112.71	112.97	<b>-0.26</b>	<b>-0.23</b>
<b>Pound/\$1US</b>	1.3171	1.3183	<b>-0.0012</b>	<b>-0.09</b>

## MARKET UPDATE

- Stocks surrendered earlier gains to close lower after the Federal Reserve raised interest rates by 25 basis points, as widely anticipated, and indicated its intent to tighten once more in December. The S&P 500 dropped 9.59 points, or 0.3%, to 2,905.97. The Nasdaq Composite Index shed 17.11 points, or 0.2%, to 7,990.37.
- Indian market gave up early gains and settled lower in volatile trade, as investors keenly awaited cues from US Federal Reserve meeting that ends later in the global day.

## CURRENCY UPDATE

- The U.S. dollar saw fairly muted trade after the Federal Reserve raised interest rates for the third time in 2018, as expected. The ICE U.S. Dollar Index was last up 0.1% at 94.176. The shared eurozone currency last bought \$1.1763, little changed.
- The rupee bounced back after a two-day downtrend and ended higher by 8 paise at 72.61 against the American unit on bouts of dollar selling by exporters with the FOMC rate decision firmly in the spotlight. It traded in the tight range of 72.53 and 72.75 most part of the day. At the inter-bank foreign exchange (forex) market, the rupee started with a mild negative bias at 72.70 against the American unit on stray month-end dollar demand from importers. It weakened further to hit a session low of 72.75 in mid-morning deals. The Indian unit came off lows to trade in positive terrain in late afternoon session and touched a near one-week high of 72.53 before ending the day at 72.61, showing a gain of 8 paise, or 0.12%. The Financial Benchmarks India private limited fixed the reference rate for the dollar at 72.7182.

BULLION	CLOSING		% CH
	26-SEP-18	25-SEP-18	
<b>Gold Dec MCX</b>	30905	31123	<b>-0.70</b>
<b>Gold Dec Comex</b>	1199	1205	<b>-0.50</b>
<b>Silver Dec MCX</b>	37866	38242	<b>-0.98</b>
<b>Silver Dec Comex</b>	14.401	14.493	<b>-0.63</b>
<b>ENERGY</b>			
<b>Crude Oil Oct MCX</b>	5212	5271	<b>-1.12</b>
<b>Crude Nov Nymex</b>	71.57	72.28	<b>-0.98</b>
<b>Natural Gas Oct MCX</b>	218.60	223.10	<b>-2.02</b>
<b>Nat. Gas Nov Henry Hub</b>	2.980	3.058	<b>-2.55</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	26-SEP-18	25-SEP-18	
<b>SPDR Gold ETF</b>	742.23	742.23	<b>0.00</b>
<b>iShares Silver Trust</b>	10374.99	10420.30	<b>-0.43</b>

NAME OF THE ETF	CLOSING		RATIO
	26-SEP-18		
<b>Gold v/s Silver</b>	1199	14.401	<b>83.27</b>
<b>Gold v/s Crude Oil</b>	1199	71.57	<b>16.75</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	26-SEP-18	25-SEP-18	Change	
<b>Aluminum</b>	999925	1006775	<b>-6850</b>	<b>-0.68</b>
<b>Copper</b>	210900	212925	<b>-2025</b>	<b>-0.95</b>
<b>Nickel</b>	229152	229464	<b>-312</b>	<b>-0.14</b>
<b>Lead</b>	116225	116350	<b>-125</b>	<b>-0.11</b>
<b>Zinc</b>	199200	204975	<b>-5775</b>	<b>-2.82</b>

BASE METALS	CLOSING		% CH
	26-SEP-18	25-SEP-18	
<b>Aluminium Oct</b>	149.60	150.50	<b>-0.60</b>
<b>Copper Nov</b>	456.60	457.35	<b>-0.16</b>
<b>Nickel Oct</b>	930.50	942.10	<b>-1.23</b>
<b>Lead Oct</b>	145.30	146.80	<b>-1.02</b>
<b>Zinc Oct</b>	186.40	184.50	<b>1.03</b>

## ECONOMIC CALENDER

THURSDAY SEPTEMBER 27 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
12:00 AM	U.S.	<b>FOMC Press Conference</b>			
11:30 AM	Germany	<b>GfK German Consumer Climate (Oct)</b>		10.6	10.5
12:15 PM	France	<b>French Consumer Spending (MoM) (Aug)</b>		0.1%	0.1%
1:30 PM	Eurozone	<b>ECB Economic Bulletin</b>			
1:30 PM	Eurozone	<b>M3 Money Supply (YoY) (Aug)</b>		3.8%	4.0%
1:30 PM	Eurozone	<b>Private Sector Loans (YoY)</b>		3.1%	3.0%
2:30 PM	Eurozone	<b>Business and Consumer Survey (Sep)</b>		111.2	111.6
2:30 PM	Eurozone	<b>Consumer Confidence (Sep)</b>		-2.9	-2.9
Tentative	U.S.	<b>OPEC Meeting</b>			
5:30 PM	Germany	<b>German CPI (YoY) (Sep)</b>		2.0%	2.0%
5:30 PM	Germany	<b>German CPI (MoM) (Sep)</b>		0.1%	0.1%
6:00 PM	U.S.	<b>Continuing Jobless Claims</b>		1,684K	1,645K
6:00 PM	U.S.	<b>Core Durable Goods Orders (MoM) (Aug)</b>		0.4%	0.1%
6:00 PM	U.S.	<b>Durable Goods Orders (MoM) (Aug)</b>		1.9%	-1.7%
6:00 PM	U.S.	<b>GDP (QoQ) (Q2)</b>		4.2%	4.2%
6:00 PM	U.S.	<b>Goods Trade Balance (Aug)</b>		-70.60B	-72.05B
6:00 PM	U.S.	<b>Initial Jobless Claims</b>		208K	201K
6:00 PM	U.S.	<b>Wholesale Inventories (MoM)</b>		0.3%	0.6%
7:00 PM	Eurozone	<b>ECB President Draghi Speaks</b>			
7:30 PM	U.S.	<b>Pending Home Sales (MoM) (Aug)</b>		-0.2%	-0.7%
8:00 PM	U.S.	<b>Natural Gas Storage</b>		63B	86B

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