

# COMMODITY

## Report

28 May 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- A wave of selling hit crude oil prices on signs of increasing U.S. oil expansion and reports OPEC and its allies could lift output to counter a supply shortage from Iran and Venezuela. July West Texas Intermediate crude oil slumped \$2.83, or 4%, to settle at \$67.88 a barrel on the New York Mercantile Exchange. MCX Crude Oil June expiry closed at Rs. 4597 per barrel, down 5.39%.
- China's industrial profit growth surged 21.9% year-over-year in April, well above the 3.1% increase in March.
- U.S. durable goods orders slumped by 1.7% in April after spiking by an upwardly revised 2.7% in March. Core durable goods orders climbed by 0.9% in April after rising by 0.4% in March.
- U.S. consumer sentiment index for May was downwardly revised to 98.0 from the preliminary reading of 98.8.
- U.K. gross domestic product grew 0.1% sequentially in the first quarter, slower than the 0.4% expansion registered in the fourth quarter. On a yearly basis, GDP expanded 1.2% in the first quarter, in line with preliminary estimate, versus 1.4% growth seen a quarter ago.
- Germany's business climate index came in at 102.2 in May, unchanged from April. This was the lowest reading since last May. The current conditions index rose to 106.0 from 105.8 a month ago. Meanwhile, the expectations index declined to 98.5 from 98.7 in the previous month.
- Japan producer prices jumped 0.9% on year in April, unchanged from the March reading. On a monthly basis, producer prices were up 0.1% after climbing 0.5% a month earlier.

INDEX	25-MAY-18	24-MAY-18	PTS. CH.	% CHANGE
<b>Dow</b>	24753.09	24811.76	<b>-58.67</b>	<b>-0.24</b>
<b>Nifty</b>	10605.15	10513.85	<b>91.30</b>	<b>0.87</b>
<b>Sensex</b>	34924.87	34663.11	<b>261.76</b>	<b>0.76</b>
<b>USD/INR</b>	67.77	68.34	<b>-0.58</b>	<b>-0.84</b>
<b>Dollar Index</b>	94.21	93.72	<b>0.49</b>	<b>0.52</b>
<b>Euro/\$1US</b>	1.1650	1.1723	<b>-0.0073</b>	<b>-0.62</b>
<b>\$1US/¥en</b>	109.38	109.31	<b>0.07</b>	<b>0.06</b>
<b>Pound/\$1US</b>	1.3296	1.3383	<b>-0.0087</b>	<b>-0.65</b>

## MARKET UPDATE

- U.S. stocks ended mostly lower as a plunge in crude-oil futures, sparked by reports that OPEC and major oil-producer Russia were considering increasing output, slammed shares of energy-related companies. The three main benchmarks, however, managed to produce a weekly gain, led by outperformance in the internet and technology sector. The S&P 500 closed down 6.43 points, or 0.2%, at 2,721.33. The Nasdaq Composite Index added 9.42 points, or 0.1%, to finish the week at 7,433.85.
- Indian market logged modest gains boosted by sustained buying by domestic institutional investors (DIIs). The Sensex settled below the psychologically important 35,000 mark after hitting an intraday high above that level in late trade.

## CURRENCY UPDATE

- The U.S. dollar strengthened against most of its main rivals, as a popular gauge of the currency hit a fresh 2018 high, and as traders digested a week in which the Federal Reserve signaled that it may adopt a more measured approach to hiking interest rates even if inflation runs ahead of its 2% annual target. The ICE U.S. Dollar Index was up 0.5% at 94.197. The WSJ Dollar Index rose 0.3% to 87.28. The euro slipped against the buck at \$1.1662, compared with \$1.1722. The British pound weakened to \$1.3316, compared with from \$1.3379. Against the haven Japanese yen, the dollar was slightly stronger, reversing an earlier loss. The pair last changed hands at ¥109.47.
- The Indian rupee clocked its biggest single-session rally, surging by a whopping 58 paise to close at 67.77 against the US dollar amid a rise in local equities and cooling global crude oil prices. This is the best single-day rise for the home currency since March 14, 2017. At the Interbank Foreign Exchange (forex) market, the rupee opened higher at 68.28 from Thursday's close of 68.34. The home currency kept ascending to hit an intra-day high of 67.70 in mid-afternoon deals before ending at 67.77, revealing a smart rise of 58 paise, or 0.84%. The RBI fixed the reference rate for the dollar at 68.2600.

BULLION	CLOSING		% CH
	25-MAY-18	24-MAY-18	
<b>Gold Jun MCX</b>	31189	31474	<b>-0.91</b>
<b>Gold Jun Comex</b>	1304	1304	<b>-0.05</b>
<b>Silver Jul MCX</b>	40267	40882	<b>-1.50</b>
<b>Silver Jul Comex</b>	16.546	16.687	<b>-0.84</b>
<b>ENERGY</b>			
<b>Crude Oil Jun MCX</b>	4597	4859	<b>-5.39</b>
<b>Crude Jul Nymex</b>	67.88	70.71	<b>-4.00</b>
<b>Natural Gas Jun MCX</b>	200.70	203.70	<b>-1.47</b>
<b>Nat. Gas Jul Henry Hub</b>	2.963	2.971	<b>-0.27</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	25-MAY-18	24-MAY-18	
<b>SPDR Gold ETF</b>	848.50	852.04	<b>-0.42</b>
<b>iShares Silver Trust</b>	9952.13	9984.34	<b>-0.32</b>

NAME OF THE ETF	CLOSING		RATIO
	25-MAY-18		
<b>Gold v/s Silver</b>	1304	16.546	<b>78.79</b>
<b>Gold v/s Crude Oil</b>	1304	67.88	<b>19.21</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	25-MAY-18	24-MAY-18	Change	
<b>Aluminum</b>	1222850	1227900	<b>-5050</b>	<b>-0.41</b>
<b>Copper</b>	293450	300125	<b>-6675</b>	<b>-2.22</b>
<b>Nickel</b>	296316	296898	<b>-582</b>	<b>-0.20</b>
<b>Lead</b>	133950	133300	<b>650</b>	<b>0.49</b>
<b>Zinc</b>	229150	229275	<b>-125</b>	<b>-0.05</b>

BASE METALS	CLOSING		% CH
	25-MAY-18	24-MAY-18	
<b>Aluminium Jun</b>	154.50	158.05	<b>-2.25</b>
<b>Copper Jun</b>	461.80	469.05	<b>-1.55</b>
<b>Nickel Jun</b>	998.80	1021.20	<b>-2.19</b>
<b>Lead Jun</b>	165.50	171.35	<b>-3.41</b>
<b>Zinc Jun</b>	207.75	208.60	<b>-0.41</b>

## ECONOMIC CALENDER

MONDAY MAY 28, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
3:30 PM	France	<b>France Jobseekers Total</b>			3,436.0K

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