

# COMMODITY

## Report

29 August 2018



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EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



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## ECONOMIC / GLOBAL NEWS

- U.S. oil futures pulled back after two sessions of consecutive gains, but losses were modest as traders fretted over signs of receding output and braced for the latest weekly U.S. crude inventory data. West Texas Intermediate crude for October delivery on the New York Mercantile Exchange shed 34 cents, or 0.49%, to settle at \$68.53 a barrel. MCX Crude Oil September expiry closed at Rs. 4809 per barrel, down 0.35%.
- U.S. Conference Board said its consumer confidence index surged up to 133.4 in August from an upwardly revised 127.9 in July.
- U.S. goods trade gap surged 6.3% to \$72.2 billion last month. Exports of goods dropped 1.7% to \$140.0 billion while imports of goods increased 0.9% to \$212.2 billion in July.
- U.S. wholesale inventories jumped 0.7% in July and stocks at retailers increased 0.4%.
- The American Petroleum Institute reported that U.S. crude supplies barely budged for the week ended Aug. 24, climbing 38,000 barrels. The API data also showed supplies of gasoline up 21,000 barrels, while distillate stockpiles rose 982,000 barrels.
- Eurozone broad monetary aggregate M3 rose 4% annually in July, slower than the 4.5% rise seen in June. The ECB said the annual growth rate of credit to the private sector increased to 3.0% in July from 2.8% in June.
- France's consumer confidence held steady for the second straight month in August, the consumer sentiment came in at 97 in August, the same reading as in the previous two months.
- Italy's producer price inflation climbed 3.2% year-over-year in July, faster than the 2.9% increase in June. On a monthly basis, producer prices rose at a stable rate of 0.3% in July.
- Italy's consumer confidence index dropped to 115.2 in August from 116.2 in July.
- Sweden's exports surged 16.0% year-over-year in July and imports by 13.0%. As a result, the foreign trade in goods resulted in neither a surplus nor a deficit in July, at SEK 0.0 billion.
- Sweden's retail sales dropped a seasonally adjusted 1.0% month-over-month in July, following a 1.3% fall in June. On a yearly basis, retail sales declined a working-day-adjusted 1.2% in July, reversing a 0.4% rise in June.
- South Korea's consumer sentiment index dropped to 99.2 in August from 101.0 in July.

INDEX	28-AUG-18	27-AUG-18	PTS. CH.	% CHANGE
<b>Dow</b>	26065.17	26049.64	<b>15.53</b>	<b>0.06</b>
<b>Nifty</b>	11738.50	11691.95	<b>46.55</b>	<b>0.40</b>
<b>Sensex</b>	38896.63	38694.11	<b>202.52</b>	<b>0.52</b>
<b>USD/INR</b>	70.10	70.15	<b>-0.05</b>	<b>-0.07</b>
<b>Dollar Index</b>	94.63	94.68	<b>-0.05</b>	<b>-0.05</b>
<b>Euro/\$1US</b>	1.1693	1.1678	<b>0.0015</b>	<b>0.13</b>
<b>\$1US/¥en</b>	111.15	111.08	<b>0.07</b>	<b>0.06</b>
<b>Pound/\$1US</b>	1.2870	1.2893	<b>-0.0023</b>	<b>-0.18</b>

## MARKET UPDATE

- The S&P 500 and the Nasdaq finished at records for a third consecutive session after a measure of consumer confidence hit a nearly 18-year high, underscoring a continued expansion of the U.S. economy. However, the market's gains were muted, with indexes closing off of intraday peaks. The S&P 500 index edged up 0.78 points to 2,897.52, and the Nasdaq Composite Index added 12.14 points, or 0.2%, to 8,030.04.
- Indian market settled higher, buoyed by positive cues from global markets after the United States and Mexico agreed to overhaul the North American Free Trade Agreement.

## CURRENCY UPDATE

- The U.S. dollar slipped versus its key rivals, as investors assess the U.S.-Mexican trade deal that was announced by President Donald Trump. The greenback was under some modest pressure, while Mexico's peso stabilized as investors await what's next. The ICE U.S. Dollar Index was down 0.1% at 94.665. The broader WSJ Dollar Index little changed in negative territory at 89.08. The dollar's main rival, the euro was correspondingly stronger, trading at \$1.1695, up from \$1.1678.
- The rupee bounced back in tepid fashion from the record closing low, gaining 5 paise to end at 70.10 against the US currency largely tracking bearish dollar cues overseas. Though, the rupee briefly slipped to a low of 70.25 in mid-morning deals. The local unit, finally settled the day at 70.10, revealing a modest gain of 5 paise, or 0.07%. The Indian unit hit a life-time closing low of 70.16 yesterday due to surging crude prices. The Financial Benchmarks India private limited fixed the reference rate for the dollar at 70.1687 and for the euro at 81.9266.

BULLION	CLOSING		% CH
	28-AUG-18	27-AUG-18	
<b>Gold Oct MCX</b>	30024	30002	<b>0.07</b>
<b>Gold Dec Comex</b>	1214	1216	<b>-0.13</b>
<b>Silver Dec MCX</b>	37975	37973	<b>0.01</b>
<b>Silver Sep Comex</b>	14.774	14.859	<b>-0.57</b>
<b>ENERGY</b>			
<b>Crude Oil Sep MCX</b>	4809	4826	<b>-0.35</b>
<b>Crude Oct Nymex</b>	68.53	68.87	<b>-0.49</b>
<b>Natural Gas sep MCX</b>	200.80	202	<b>-0.54</b>
<b>Nat. Gas Oct Henry Hub</b>	2.845	2.869	<b>-0.84</b>

NAME OF THE ETF	HOLDINGS IN TONNES AS ON		% CH
	28-AUG-18	27-AUG-18	
<b>SPDR Gold ETF</b>	759.87	764.58	<b>-0.62</b>
<b>iShares Silver Trust</b>	10236.28	10236.28	<b>0.00</b>

NAME OF THE ETF	CLOSING		RATIO
	28-AUG-18		
<b>Gold v/s Silver</b>	1214	14.774	<b>82.20</b>
<b>Gold v/s Crude Oil</b>	1214	68.53	<b>17.72</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	28-AUG-18	24-AUG-18	Change	
<b>Aluminum</b>	1089275	1095125	<b>-5850</b>	<b>-0.53</b>
<b>Copper</b>	268175	267075	<b>1100</b>	<b>0.41</b>
<b>Nickel</b>	241488	242604	<b>-1116</b>	<b>-0.46</b>
<b>Lead</b>	126450	126725	<b>-275</b>	<b>-0.22</b>
<b>Zinc</b>	247050	247400	<b>-350</b>	<b>-0.14</b>

BASE METALS	CLOSING		% CH
	28-AUG-18	27-AUG-18	
<b>Aluminium Sep</b>	149.50	145.80	<b>2.54</b>
<b>Copper Nov</b>	430.75	426.10	<b>1.09</b>
<b>Nickel Sep</b>	956.10	936.70	<b>2.07</b>
<b>Lead Sep</b>	146.05	146.15	<b>-0.07</b>
<b>Zinc Sep</b>	178.25	178.40	<b>-0.08</b>

## ECONOMIC CALENDER

### WEDNESDAY AUGUST 29, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
2:00 AM	U.S.	<b>API Weekly Crude Oil Stock</b>	<b>0.038M</b>	-1.497M	-5.170M
11:30 AM	Germany	<b>GfK German Consumer Climate (Sep)</b>		10.6	10.6
12:15 PM	France	<b>French Consumer Spending (MoM) (Jul)</b>		0.1%	0.1%
12:15 PM	France	<b>French GDP (QoQ)</b>		0.2%	0.2%
12:15 PM	France	<b>French GDP (YoY)</b>		1.7%	1.7%
5:00 PM	India	<b>M3 Money Supply</b>			9.8%
6:00 PM	U.S.	<b>GDP (QoQ) (Q2)</b>		4.0%	4.1%
7:30 PM	U.S.	<b>Pending Home Sales (MoM) (Jul)</b>		0.3%	0.9%
8:00 PM	U.S.	<b>Crude Oil Inventories</b>		-0.686M	-5.836M
8:00 PM	U.S.	<b>EIA Weekly Distillates Stocks</b>		1.592M	1.849M
8:00 PM	U.S.	<b>Gasoline Inventories</b>		0.370M	1.200M

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