

# COMMODITY

## Report

30 August 2018



**SHRIRAM INSIGHT SHARE BROKERS LIMITED**

Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953,  
E-mail : [research@shriraminsight.com](mailto:research@shriraminsight.com)

EVERYTHING YOU  
NEED TO KNOW  
ABOUT THE COMMODITY



Enquiry : +91 33 2359 4612, +91 33 2359 4614, +91 33 2358 1953, E-mail : [research@shriraminsight.com](mailto:research@shriraminsight.com)

## ECONOMIC / GLOBAL NEWS

- Oil prices climbed Wednesday to score their highest finish of the month, after a U.S. government report showed that domestic crude supplies fell more than expected last week. October West Texas Intermediate crude on the New York Mercantile Exchange, the U.S. oil benchmark, tacked on 98 cents, or 1.43%, to settle at \$69.51 a barrel. The Energy Information Administration reported that domestic crude supplies declined by 2.6 million barrels for the week ended Aug. 24. Gasoline stockpiles fell 1.6 million barrels for the week, while distillate stockpiles shed 800,000 barrels, according to the EIA. MCX Crude Oil September expiry closed at Rs. 4926 per barrel, up 2.43%.
- U.S. real gross domestic product climbed by 4.2% in the second quarter compared to the previously reported 4.1 increase.
- U.S. pending home sales index dropped by 0.7% to 106.2 in July after jumping by 1.0% to an upwardly revised 107.0 in June.
- Germany's GfK forward-looking consumer sentiment index dropped to 10.5 in September from 10.6 in August
- France's gross domestic product advanced 0.2% sequentially, the same rate as seen in the first quarter and in line with the first estimate released on July 27.
- Japan retail sales were up a seasonally adjusted 0.1% on month in July, following the 1.5% spike in June. On a yearly basis, retail sales climbed 1.5% - down from 1.8% in the previous month.
- Singapore's producer price inflation climbed 10.9% year-over-year in July, well above the 7.8% increase in the previous month. On a monthly basis, producer prices rose 1.7% from June, when it fell by 0.5%.
- Malaysia's producer prices climbed 0.7% year-over-year in July, following a 0.1% rise in June. On a monthly basis, producer prices went up 0.3% from June, when it fell by 0.7%.

INDEX	29-AUG-18	28-AUG-18	PTS. CH.	% CHANGE
<b>Dow</b>	26124.57	26064.02	<b>60.55</b>	<b>0.23</b>
<b>Nifty</b>	11691.90	11738.50	<b>-46.60</b>	<b>-0.40</b>
<b>Sensex</b>	38722.93	38896.63	<b>-173.70</b>	<b>-0.45</b>
<b>USD/INR</b>	70.59	70.10	<b>0.49</b>	<b>0.70</b>
<b>Dollar Index</b>	94.46	94.64	<b>-0.18</b>	<b>-0.19</b>
<b>Euro/\$1US</b>	1.1709	1.1695	<b>0.0014</b>	<b>0.12</b>
<b>\$1US/¥en</b>	111.69	111.19	<b>0.50</b>	<b>0.45</b>
<b>Pound/\$1US</b>	1.3035	1.2877	<b>0.0158</b>	<b>1.23</b>

## MARKET UPDATE

- The stock market extended gains as the S&P 500 and the Nasdaq closed at a record for a fourth session, while the Dow finished at its highest since February. Optimism over the possibility of an imminent trade deal with Canada bolstered sentiment. The S&P 500 index climbed 16.52 points, or 0.6%, to 2,914.04, while the Nasdaq Composite Index added 79.65 points, or 1%, to 8,109.69, both records.
- Indian snapped their winning run to end notably lower as the rupee probed a fresh record low of 70.58 against the dollar amid foreign fund outflows.

## CURRENCY UPDATE

The British pound rallied versus its main rivals after remarks by the European Union's lead Brexit negotiator raised hopes for a deal between London and Brussels on the U.K.'s departure from the trade bloc. Sterling rallied to \$1.3022, compared with \$1.2872 in New York. The ICE U.S. Dollar Index last stood at 94.569. The euro EURUSD, -0.0854% last traded at \$1.1704 versus a level of \$1.1695.

The rupee plunged to all-time low of 70.65 to the US dollar in day trade on heavy month-end dollar demand from importers and foreign capital outflows. At the interbank foreign exchange market, the rupee opened lower at 70.32 a dollar against 70.10 previously and dropped further to a new low of 70.65 in afternoon deals, down by 55 paise. The local currency dropped by 49 paise or 0.70% to close at 70.59, its biggest single-day drop since August 13 when it nosedived 110 paise or 1.6 per cent, at the interbank foreign exchange market.

BULLION	CLOSING		% CH
	29-AUG-18	28-AUG-18	
<b>Gold Oct MCX</b>	30188	30024	<b>0.55</b>
<b>Gold Dec Comex</b>	1212	1214	<b>-0.24</b>
<b>Silver Dec MCX</b>	37960	37975	<b>-0.04</b>
<b>Silver Sep Comex</b>	14.697	14.774	<b>-0.52</b>
<b>ENERGY</b>			
<b>Crude Oil Sep MCX</b>	4926	4809	<b>2.43</b>
<b>Crude Oct Nymex</b>	69.51	68.53	<b>1.43</b>
<b>Natural Gas sep MCX</b>	202.70	201	<b>0.95</b>
<b>Nat. Gas Oct Henry Hub</b>	2.863	2.845	<b>0.63</b>

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

NAME OF THE ETF	CLOSING		RATIO
	29-AUG-18		
<b>Gold v/s Silver</b>	1212	14.697	<b>82.43</b>
<b>Gold v/s Crude Oil</b>	1212	69.51	<b>17.43</b>

(IN TONS)	LME INVENTORIES DATA			% Change
	29-AUG-18	28-AUG-18	Change	
<b>Aluminum</b>	1075750	1089275	<b>-13525</b>	<b>-1.24</b>
<b>Copper</b>	267850	268175	<b>-325</b>	<b>-0.12</b>
<b>Nickel</b>	240666	241488	<b>-822</b>	<b>-0.34</b>
<b>Lead</b>	126225	126450	<b>-225</b>	<b>-0.18</b>
<b>Zinc</b>	245750	247050	<b>-1300</b>	<b>-0.53</b>

BASE METALS	CLOSING		% CH
	29-AUG-18	28-AUG-18	
<b>Aluminium Sep</b>	152.25	149.50	<b>1.84</b>
<b>Copper Nov</b>	430.40	430.75	<b>-0.08</b>
<b>Nickel Sep</b>	949.70	956.10	<b>-0.67</b>
<b>Lead Sep</b>	147.55	146.05	<b>1.03</b>
<b>Zinc Sep</b>	178.75	178.25	<b>0.28</b>

## ECONOMIC CALENDER

THURSDAY AUGUST 30, 2018

TIME	COUNTRY	EVENT	ACTUAL	FORECAST	PREVIOUS
5:20 AM	Japan	<b>Retail Sales (YoY) (Jul)</b>	<b>1.5%</b>	1.2%	1.7%
11:30 AM	Germany	<b>German Import Price Index (MoM) (Jul)</b>		0.0%	0.5%
11:30 AM	Germany	<b>German Import Price Index (YoY) (Jul)</b>		5.2%	4.8%
1:25 PM	Germany	<b>German Unemployment Change (Aug)</b>		-8K	-6K
1:25 PM	Germany	<b>German Unemployment Rate (Aug)</b>		5.2%	5.2%
2:30 PM	Eurozone	<b>Business and Consumer Survey (Aug)</b>		111.9	112.1
2:30 PM	Eurozone	<b>Consumer Confidence (Aug)</b>		-1.9	-1.9
5:30 PM	Germany	<b>German CPI (YoY) (Aug)</b>		2.0%	2.0%
5:30 PM	Germany	<b>German CPI (MoM) (Aug)</b>		0.1%	0.3%
6:00 PM	U.S.	<b>Continuing Jobless Claims</b>		1,725K	1,727K
6:00 PM	U.S.	<b>Initial Jobless Claims</b>		214K	210K
8:00 PM	U.S.	<b>Natural Gas Storage</b>		64B	48B

## DISCLAIMER

This document has been prepared by Shriram Insight Share Brokers Ltd. and is meant for sole use by the recipient and not for circulation. This document is not to be reported or copied or made available to others. The information contained herein is from sources believed reliable. It should not be considered to be taken as an offer to sell or a solicitation to buy any security or as an official confirmation of any transaction. We do not represent that it is accurate or complete and it should not be relied upon as such. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. The investments discussed or recommended in this report may not be suitable for all investors. Shriram Insight Share Brokers Ltd stock Recommendation Service is a general recommendation service and is not to be construed as an individual investor specific Portfolio Management and Advisory Service.

The user assumes the entire risk of any use made of this information. Each recipient of this document should arrive at an independent evaluation of an investment in the securities of companies referred to in this document and should consult its own advisors to determine the merits and risks of such an investment.

Shriram Insight Share Brokers Ltd shall not be responsible for any loss or liability incurred to the user as a consequence of his or any other person on his behalf taking any investment decisions based on the information, recommendations, research reports, analysis, quotes, etc. provided on the web site

Shriram Insight Share Brokers Ltd and its affiliated company (ies), their directors and employees may;

- (a) from time to time, having a long or short position in, and buy or sell the securities of the company (ies) recommended.
- (b) be engaged in any other transaction involving such securities and act as a market maker in the securities of the company (ies) or lender / borrower to such company (ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

Shriram Insight Share Brokers Ltd shall also not be liable for errors, omissions or typographical errors, disruption delay, interruption, failure, deletion or defect of/in the Service provided by it. All Users of the Service in countries other than India understand that by using the Service, they may be violating the local laws in such countries. If the User chooses