

Base Metals

	Previous	CMP	% Change
Comex Copper	2.801	2.764	-1.32
LME Copper	6282	6274	-0.13
LME Aluminium	2068.5	2067.25	-0.06
LME Zinc	2589.25	2578	-0.43
LME Lead	2163.5	2161.5	-0.09
LME Nickel	13797.5	13812.5	0.11
MCX Copper	428.9	428	-0.21
MCX Aluminium	141.15	141.15	0.00
MCX Zinc	179.85	179.15	-0.39
MCX Lead	147.95	147.35	-0.41
MCX Nickel	942	942.7	0.07

Base Metal Related News

Base Metals ended on a flat note yesterday after European Central Bank decision to keep interest rate and its exit of quantitative easing (QE) on hold at its governing council meeting.

Traders are likely to now wait for a decision from the labor union vote at the Escondida copper mine on July 28.

Profit growth for China's industrial firms eased in June from the previous month, data showed on Friday, as factory production slowed amid the worsening U.S. trade dispute and Beijing's efforts to cut pollution and debt.

Anglo American is going ahead with the \$5 billion development of its Quellaveco project in Peru, one of the world's largest untapped copper resources.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Cancelled Warrants	Cancelled Warrants as % of LME Stocks
Copper	256000	1575	220445	-14251	1125	12.68
Aluminium	1204550	-7575	911284	-6371	29800	28.82
Zinc	247025	-2625	52068	-5948	-1000	9.59
Lead	128150	475	9678	-2321	-25	49.28
Nickel	258888	-1830	22137	-1552	234	25.91

Base Metal Outlook

Base metal prices trading sideways to down today. We expect prices to trade sideways to positive as the markets are nervous about the key events of US GDP data. However, some respite have been provided to the market by US-Europe trade deal agreement but the US-China trade rift risks still remains. One can maintain buy on dips in Aluminium and Lead for the day.

Important Events For The Week					
Cur			Actual	Forecast	Previous
23-Jul					
7:30pm	EUR	Consumer Confidence	-1	-1	-1
	USD	Existing Home Sales	5.38M	5.46M	5.43M
24-Jul					
1:30pm	EUR	Flash Manufacturing PMI	55.1	54.7	54.9
1:30pm	EUR	Flash Services PMI	54.4	55	55.2
7:15pm	USD	Flash Manufacturing PMI	55.5	55.1	55.4
7:15pm	USD	Flash Services PMI	56.2	56.5	56.5
25-Jul					
1.30pm	EUR	German Ifo Business Climate	101.7	101.6	101.8
	EUR	M3 Money Supply y/y	4.40%	4.00%	4.00%
	EUR	Private Loans y/y	2.90%	3.00%	2.90%
7:30pm	USD	New Home Sales		669K	689K
8:00pm	USD	Crude Oil Inventories		-2.6M	5.8M
26-Jul					
Tentative	All	OPEC-JMMC Meetings			
5:15pm	EUR	Main Refinancing Rate	0.00%	0.00%	0.00%
6:00pm	EUR	ECB Press Conference			
	USD	Core Durable Goods Orders m/m	0.40%	0.50%	0.00%
	USD	Durable Goods Orders m/m	1.00%	2.70%	-0.40%
	USD	Unemployment Claims	217K	215K	207K
8:00pm	USD	Natural Gas Storage	24B		46B
Events For Today					
6:00pm	USD	Advance GDP q/q		4.10%	2.00%
	USD	Advance GDP Price Index q/q		2.40%	2.20%
7:30pm	USD	Revised UoM Consumer Sentiment		97.3	97.1
	USD	Revised UoM Inflation Expectations			2.90%

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Narnolia Securities Ltd Market Research

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