## Base Metals

| | Previous | CMP | % Change |
|---|---|---|---|
| Comex Copper | 2.663 | 2.669 | 0.23 |
| LME Copper | 5934.25 | 5965 | 0.52 |
| LME Aluminium | 1893.75 | 1904 | 0.54 |
| LME Zinc | 2581.25 | 2616.25 | 1.36 |
| LME Lead | 2009 | 2030.5 | 1.07 |
| LME Nickel | 11590 | 11687.5 | 0.84 |
| MCX Copper | 420.15 | 421.9 | 0.42 |
| MCX Aluminium | 135.2 | 136.1 | 0.67 |
| MCX Zinc | 185.9 | 187.8 | 1.02 |
| MCX Lead | 143.3 | 144.5 | 0.84 |
| MCX Nickel | 823.4 | 828.4 | 0.61 |

## Base Metal Related News

Base metals prices ticked higher after closing lower in the last two sessions, although concerns over trade dispute between Washington and Beijing kept a lid on prices of industrial metals.

Codelco copper operations at the smelters in its Chuquicamata and Salvador mines restarts is delayed until March end.

China refined copper output rose 8 percent to 9.03 million tons in 2018, with December production reaching 839,000 tons, the highest for the year, according to National Bureau of Statistics data.

China's aluminium producers are set to cut at least another 800,000 tonnes per year of smelting capacity in coming months, an official at industry body China Nonferrous Metals Industry Association said in December.

Global nickel market deficit widened to 123,900 tonnes from Jan-Nov 2018 as compared to 100,300 tonnes in the same period of 2017.

## LME Inventory 23/01/2019

| Commodity | LME Stock | Change | Shanghai Stock | Change | Change in Canceled Warrants | CW as % of LME Stocks |
|---|---|---|---|---|---|---|
| Copper | 145575 | 550 | 97979 | -10911 | -25 | 10.92 |
| Aluminium | 1301825 | 200 | 692558 | 20232 | 93700 | 30.67 |
| Zinc | 118100 | -725 | 26942 | -956 | -725 | 29.55 |
| Lead | 86625 | -1925 | 29308 | 12709 | -1925 | 53.42 |
| Nickel | 202302 | -366 | 14466 | -415 | -324 | 27.64 |

## Base Metal Outlook

Base Metal prices are trading higher today. We expect metal prices to trade sideways to negative after the China reported lower growth data and amid amid pessimism over a possible trade deal between U.S. and China. During the evening session, no major data releases are scheduled.

| Important Events For The Week | | | | | |
|---|---|---|---|---|---|
| | Cur | | Actual | Forecast | Previous |
| **21-Jan** | | | | | |
| 7:30am | CNY | GDP q/y | 6.40% | 6.40% | 6.50% |
| | CNY | Fixed Asset Investment ytd/y | 5.90% | 6.00% | 5.90% |
| | CNY | Industrial Production y/y | 5.70% | 5.30% | 5.40% |
| | CNY | NBS Press Conference | | | |
| | CNY | Retail Sales y/y | 8.20% | 8.10% | 8.10% |
| | CNY | Unemployment Rate | 4.90% | | 4.80% |
| 12:30pm | EUR | German PPI m/m | -0.40% | -0.10% | 0.10% |
| 4:30pm | EUR | German Buba Monthly Report | | | |
| All Day | USD | Bank Holiday | | | |
| **22-Jan** | | | | | |
| 3:00pm | GBP | Average Earnings Index 3m/y | 3.40% | 3.30% | 3.30% |
| | GBP | Public Sector Net Borrowing | 2.1B | 1.1B | 6.3B |
| | GBP | Unemployment Rate | 4.00% | 4.10% | 4.10% |
| | GBP | Claimant Count Change | 20.8K | 20.1K | 21.9K |
| 3:30pm | EUR | German ZEW Economic Sentiment | -15 | -18.8 | -17.5 |
| | EUR | ZEW Economic Sentiment | -20.9 | -20.1 | -21 |
| 8:30pm | USD | Existing Home Sales | 4.99M | 5.27M | 5.32M |
| **EVENTS FOR TODAY** | | | | | |
| 5:20am | JPY | Trade Balance | -0.18T | -0.29T | -0.49T |
| Tentative | JPY | BOJ Outlook Report | | | |
| Tentative | JPY | BOJ Policy Rate | -0.10% | -0.10% | -0.10% |
| Tentative | JPY | BOJ Press Conference | | | |
| Day 1 | All | WEF Annual Meetings | | | |
| 3:00pm | GBP | MPC Member Broadbent Speaks | | | |
| 8:30pm | EUR | Consumer Confidence | | -6 | -6 |
| | USD | Richmond Manufacturing Index | | -6 | -8 |
| **24-Jan** | | | | | |
| 6:00am | JPY | Flash Manufacturing PMI | | | 52.6 |
| 2:30pm | EUR | Flash Manufacturing PMI | | 51.5 | 51.4 |
| | EUR | Flash Services PMI | | 51.5 | 51.2 |
| Day 2 | All | WEF Annual Meetings | | | |
| 6:15pm | EUR | Main Refinancing Rate | | 0.00% | 0.00% |
| 7:00pm | EUR | ECB Press Conference | | | |
| | USD | Unemployment Claims | | 212K | 213K |
| 8:15pm | USD | Flash Manufacturing PMI | | | 53.8 |
| | USD | Flash Services PMI | | | 54.4 |
| 9:00pm | USD | Natural Gas Storage | | | -81B |
| 9:30pm | USD | Crude Oil Inventories | | | -2.7M |
| **25-Jan** | | | | | |
| 2:30pm | EUR | German Ifo Business Climate | | 100.7 | 101 |
| Day 3 | All | WEF Annual Meetings | | | |

23rd January 2019

**Narnolia Financial Advisors Ltd | Market Strategy Desk**

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| | |
|---|---|
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