

Base Metals

	Previous	CMP	% Change
Comex Copper	2.788	2.834	1.65
LME Copper	6196.75	6295	1.59
LME Aluminium	1957.75	1978.25	1.05
LME Zinc	2541.25	2593	2.04
LME Lead	1954.5	1989	1.77
LME Nickel	11097.25	11275	1.60
MCX Copper	433.1	443.5	2.40
MCX Aluminium	137.2	139.8	1.90
MCX Zinc	180.2	185.1	2.72
MCX Lead	137.25	140.4	2.30
MCX Nickel	774.8	792	2.22

Base Metal Related News

Base Metals prices traded higher on dovish Fed comments and the potential for a weaker dollar, in addition to a more friendly tone to U.S.-China trade relations.

Premiums for imports of copper into China sank to an 18-month low in a sign that demand for physical metal is waning after a buying spree.

Brazil's aluminium output was 50,500 tonnes during the month, 26.30% lower than the 68,500 tonnes in the same period last year.

Treatment charges (TCs) for zinc concentrates continued to rise sharply in November, hitting highs not seen since November 2015

LME Copper Cancelled Warrants fell by 19% today.

Zinc inventories across LME warehouses extended their decline on Monday December 3, to the lowest in over ten years, to 112,575 mt.

LME Inventory 04/12/2018

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	130175	-4025	132653	-2121	-8250	26.20
Aluminium	1046800	-1750	746254	-19099	-1750	23.97
Zinc	111750	-825	31002	-8673	-825	24.52
Lead	104975	-150	7726	-1119	-200	14.31
Nickel	212806	-48	16137	-250	-1920	22.60

Base Metal Outlook

Base Metal prices are trading higher today. We expect metal prices to trade remain supportive for the day after the agreement between US and China which ignited buying in the metal complex. Many markets moving event are scheduled in the coming days which will clear the direction for metal prices. One can maintain buy on dips strategy in Aluminium for the day.

4th December 2018

Narnolia Financial Advisors Ltd | Market Strategy Desk

Important Events For The Week					
	Cur		Actual	Forecast	Previous
3-Dec					
7:15am	CNY	Caixin Manufacturing PMI	50.2	50.1	50.1
1:45pm	EUR	Spanish Manufacturing PMI	52.6	51.5	51.8
2:15pm	EUR	Italian Manufacturing PMI	48.6	48.9	49.2
2:20pm	EUR	French Final Manufacturing PMI	50.8	50.7	50.7
2:25pm	EUR	German Final Manufacturing PMI	51.8	51.6	51.6
2:30pm	EUR	Final Manufacturing PMI	51.8	51.5	51.5
3:00pm	GBP	Manufacturing PMI	53.1	51.6	51.1
8:15pm	USD	Final Manufacturing PMI	55.3	55.4	55.4
8:30pm	USD	ISM Manufacturing PMI	59.3	57.5	57.7
All Day	USD	Total Vehicle Sales	17.5M	17.3M	17.6M
9:00pm	USD	FOMC Member Brainard Speaks			
EVENTS FOR TODAY					
2:45pm	GBP	BOE Gov Carney Speaks			
3:30pm	EUR	PPI m/m		0.50%	0.50%
8:30pm	USD	FOMC Member Williams Speaks			
5-Dec					
7:15am	CNY	Caixin Services PMI		50.7	50.8
1:45pm	EUR	Spanish Services PMI		53.9	54
2:00pm	EUR	ECB President Draghi Speaks			
2:15pm	EUR	Italian Services PMI		49.2	49.2
2:20pm	EUR	French Final Services PMI		55	55
2:25pm	EUR	German Final Services PMI		53.3	53.3
2:30pm	EUR	Final Services PMI		53.1	53.1
3:00pm	GBP	Services PMI		52.5	52.2
3:30pm	EUR	Retail Sales m/m		0.20%	0.00%
6-Dec					
6:45am	USD	FOMC Member Quarles Speaks			
12:30pm	EUR	German Factory Orders m/m		-0.40%	0.30%
All Day	All	OPEC Meetings			
7:00pm	USD	Trade Balance		-55.2B	-54.0B
	USD	Unemployment Claims		226K	234K
8:15pm	USD	ISM Non-Manufacturing PMI		59.2	60.3
8:30pm	USD	Factory Orders m/m		-1.90%	0.70%
9:00pm	USD	Crude Oil Inventories			3.6M
10:45pm	USD	FOMC Member Bostic Speaks			
7-Dec					
5:00am	USD	FOMC Member Williams Speaks			
5:15am	USD	Fed Chair Powell Speaks			
12:30pm	EUR	German Industrial Production m/m		0.30%	0.20%
1:15pm	EUR	French Industrial Production m/m		0.80%	-1.80%
	EUR	French Trade Balance		-6.0B	-5.7B
	EUR	Revised GDP q/q		0.20%	0.20%
7:00pm	USD	Average Hourly Earnings m/m		0.30%	0.20%
	USD	Non-Farm Employment Change		200K	250K
	USD	Unemployment Rate		3.70%	3.70%
8:30pm	USD	Prelim UoM Consumer Sentiment		97.1	97.5
	USD	Prelim UoM Inflation Expectations			2.80%
9:30pm	USD	Natural gas storage			-59
10:30pm	USD	FOMC Member Brainard Speaks			

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