

Base Metals

	Previous	CMP	% Change
Comex Copper	2.773	2.73	-1.55
LME Copper	6191.75	6102.25	-1.45
LME Aluminium	1972.5	1939.75	-1.66
LME Zinc	2616.5	2581	-1.36
LME Lead	1989.75	1968.75	-1.06
LME Nickel	11215	11007.5	-1.85
MCX Copper	437.2	432.4	-1.10
MCX Aluminium	140.05	138.7	-0.96
MCX Zinc	188.7	186.9	-0.95
MCX Lead	140.85	140.25	-0.43
MCX Nickel	793.1	782.9	-1.29

Base Metal Related News

Base Metals prices fall amid concern U.S.-China relations, already weighed down by the trade war, face further strain after the arrest in Canada of a senior mainland executive.

Zinc cash-three month spread hit a record high in a sign of tightening immediate supply.

US yield curve is now very flat and to some extent even inverse often a sign of an imminent recession in the past.

At least one Japanese aluminum buyer has settled 1Q premium at \$85 a mt with an overseas producer, 17% lower than the current three months

Huawei Technologies Co.'s chief financial officer, Wanzhou Meng, was arrested in Canada over potential violations of U.S. sanctions on Iran, and may be extradited to the U.S

LME Inventory 06/12/2018

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	124950	-3250	132653	-2121	-3200	21.47
Aluminium	1044300	-1475	746254	-19099	-475	23.99
Zinc	111225	525	31002	-8673	-675	23.08
Lead	104550	-300	7726	-1119	-175	14.97
Nickel	210886	-408	16137	-250	96	22.27

Base Metal Outlook

Base Metal prices are trading down today. We expect metal prices to trade remain under pressure on worsening global growth and delay in trade agreement is creating an uncertainty in the metal complex. Many market moving event are scheduled in the coming days which will clear the direction for metal prices. One can maintain sell on rise strategy in Copper for the day.

6th 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			
4-Dec					
2:45pm	GBP	BOE Gov Carney Speaks			
3:30pm	EUR	PPI m/m	0.80%	0.50%	0.50%
8:30pm	USD	FOMC Member Williams Speaks			
5-Dec					
7:15am	CNY	Caixin Services PMI	53.8	50.7	50.8
1:45pm	EUR	Spanish Services PMI	54	53.9	54
2:00pm	EUR	ECB President Draghi Speaks			
2:15pm	EUR	Italian Services PMI	50.3	49.2	49.2
2:20pm	EUR	French Final Services PMI	55.1	55	55
2:25pm	EUR	German Final Services PMI	53.3	53.3	53.3
2:30pm	EUR	Final Services PMI	53.4	53.1	53.1
3:00pm	GBP	Services PMI	50.4	52.5	52.2
3:30pm	EUR	Retail Sales m/m	0.30%	0.20%	0.00%
EVENTS FOR TODAY					
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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Analyst's ownership of the stocks mentioned in the Report	NIL
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