

Base Metals

	Previous	CMP	% Change
Comex Copper	2.753	2.745	-0.29
LME Copper	6141.5	6117.5	-0.39
LME Aluminium	1925.5	1924.5	-0.05
LME Zinc	2537.75	2543	0.21
LME Lead	1954.75	1932	-1.16
LME Nickel	11037.5	11065	0.25
MCX Copper	441.3	438	-0.75
MCX Aluminium	137.55	137.1	-0.33
MCX Zinc	183.25	183.7	0.25
MCX Lead	140.15	138.5	-1.18
MCX Nickel	790.4	790	-0.05

Base Metal Related News

Base Metals upside fizzles as gains remained capped driven by the release of weaker-than-expected economic data out of China.

China produced 77.62 million mt of crude steel in November, 10.8% higher than November 2017

Total approved copper scrap imports this year at 999,700 mt, down some 66.7% from the overall volumes approved last year. A total of 3.01 million mt of copper scrap imports got approved in 11 batches in 2017.

Growth in China's new home prices slowed in November as markets in smaller cities lost some of their heat, though the sector remained relatively resilient amid a broader slowdown in economic activity.

Meanwhile at China's policy-setting meeting, the government is expected to take greater steps to ensuring economic stability where key growth targets and policy goals for 2019 will be discussed.

LME Inventory 17/12/2018

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	121725	575	122222	-1657	0	13.64
Aluminium	1150500	19525	688825	-24442	-29125	18.35
Zinc	123700	3400	24879	-1971	-500	16.31
Lead	107325	400	16845	7225	-225	13.95
Nickel	210364	-96	14517	-417	-96	22.20

Base Metal Outlook

Base Metal prices are trading negative today. We expect metal prices to trade supportive ahead of major policy announcements and economic outlook from US and China. Any dovish language in the FOMC statement which points to a slower rate of interest rate increases could fuel weakness in the dollar, and thus be supportive to base metals prices.

17th December 2018

Narnolia Financial Advisors Ltd | Market Strategy Desk

Important Events For The Week					
	Cur		Actual	Forecast	Previous
EVENTS FOR TODAY					
3:30pm	EUR	Final CPI y/y		2.00%	2.00%
	EUR	Final Core CPI y/y		1.00%	1.00%
7:00pm	USD	Empire State Manufacturing Index		20.1	23.3
8:30pm	USD	NAHB Housing Market Index		61	60
18-Dec					
2:30pm	EUR	German Ifo Business Climate		101.8	102
7:00pm	USD	Building Permits		1.27M	1.26M
	USD	Housing Starts		1.23M	1.23M
19-Dec					
3:00pm	GBP	CPI y/y		2.30%	2.40%
	GBP	Core CPI y/y		1.80%	1.90%
7:00pm	USD	Current Account		-125B	-101B
8:30pm	USD	Existing Home Sales		5.20M	5.22M
9:00pm	USD	Crude Oil Inventories			-1.2M
12:30am	USD	FOMC Economic Projections			
	USD	FOMC Statement			
	USD	Federal Funds Rate		<2.50%	<2.25%
1:00am	USD	FOMC Press Conference			
20-Dec					
Tentative	JPY	BOJ Policy Rate		-0.10%	-0.10%
Tentative	JPY	Monetary Policy Statement			
Tentative	JPY	BOJ Press Conference			
3:00pm	GBP	Retail Sales m/m		0.30%	-0.50%
5:30pm	GBP	Monetary Policy Summary			
5:30pm	GBP	Official Bank Rate		0.75%	0.75%
5:30pm	GBP	Asset Purchase Facility		435B	435B
7:00pm	USD	Philly Fed Manufacturing Index		15.6	12.9
	USD	Unemployment Claims		219K	206K
9:00pm	USD	Natural Gas Storage			-77B
21-Dec					
12:30pm	EUR	German GfK Consumer Climate		10.3	10.4
3:00pm	GBP	Final GDP q/q		0.60%	0.60%
7:00pm	USD	Core Durable Goods Orders m/m		0.30%	0.20%
	USD	Final GDP q/q		3.50%	3.50%
	USD	Durable Goods Orders m/m		1.80%	-4.30%
8:30pm	EUR	Consumer Confidence		-4	-4
8:30pm	USD	Revised UoM Consumer Sentiment		97.6	97.5
8:30pm	USD	Revised UoM Inflation Expectations			2.70%

17th December 2018

Narnolia Financial Advisors Ltd | Market Strategy Desk

DISCLAIMER

Disclosures: Narnolia Financial Advisors Ltd.* (NFAL) (Formerly Microsec Capital Ltd.) is a SEBI Registered Research Analyst having registration no. INH300002407 valid till 01.12.2020. NFAL is engaged in the business of providing Stock Broking, Depository Participant, Merchant Banking, Portfolio Management & distribution of various financial products. Details of associate entities of NFAL is available on the website at www.narnolia.com. No penalties have been levied on NFAL by any Regulatory/Statutory authority. NFAL, its associates, Research Analyst or their relative may have financial interest in the subject company. NFAL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. NFAL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor 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.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of NFAL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. NFAL and/or its associates may have received compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, NFAL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of NFAL or its associates during 12 months preceding the date of distribution of the research report. NFAL and its associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. NFAL and / or its affiliates may do and seek to do business including Investment Banking with companies covered in the research reports. As a result, the recipients of this report should be aware that NFAL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific Merchant Banking, Investment Banking or Brokerage service transactions. Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of NFAL or its associates maintains arm's length distance with Research Team as all the activities are segregated from NFAL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Terms & Conditions: This report has been prepared by NFAL and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NFAL & its group companies to registration or licensing requirements within such jurisdictions.

Analyst Certification The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
---	-----

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

*The name of the Company has been changed from "Microsec Capital Limited" to "Narnolia Financial Advisors Limited" pursuant to change of control. The change in name has been duly effected in the records of the Registrar of Companies (ROC). The application for fresh registration in the new name of "Narnolia Financial Advisors Limited" pursuant to change of control is under process with SEBI.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkgarwal@narnolia.com, Contact No.: 033-40541700.

Registration details of Company: Narnolia Financial Advisors Ltd. (NFAL): SEBI Stock Broker Registration: INZ000166737 (NSE/BSE/MSEI); NSDL/CDSL: IN-DP-380-2018; Research Analyst: INH300002407, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI Registered Mutual Fund distributor: ARN 3087

Registration Details of Group entities: G. Raj & Company Consultants Ltd (G RAJ)-BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 || Narnolia Commerce Limited-MCX/NCDEX Commodities Broker: INZ000051636 || Narnolia Velox Advisory Ltd.- SEBI Registered PMS: INP000005109 || Eastwind Capital Advisors Pvt Ltd. (EASTWIND)-SEBI Registered Investment Adviser: INA300005439 || Narnolia Insurance Brokers Limited-IRDA Licensed Direct Insurance Broker (Life & Non-Life) License No.134 || Narnolia Securities Ltd. (NSL)-AMFI Registered Mutual Fund distributor: ARN 20558, PFRDA NPS POP: 27092018 || Narnolia Capital Advisors Pvt. Ltd. - RBI Registered NBFC:B.05.02568.

Disclaimer:

This report has been prepared by Narnolia Financial Advisors Ltd. (NFAL) and is meant for sole use by the recipient and not for public circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NFAL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his/her/its own advisors to determine the merits and risks of such an investment. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. NFAL will not treat recipients as customers by virtue of their receiving this report. Neither the Company, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information/report. The person accessing this information specifically agrees to exempt NFAL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold NFAL or any of its affiliates or employees responsible for any such misuse and further agrees to hold NFAL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject NFAL & its group companies to registration or licensing requirements within such jurisdictions.