

## Base Metals

	Previous	CMP	% Change
Comex Copper	2.774	2.777	0.11
LME Copper	6131	6163.25	0.53
LME Aluminium	1904.25	1909.75	0.29
LME Zinc	2689.75	2718	1.05
LME Lead	2085.25	2098	0.61
LME Nickel	12350	12422	0.58
MCX Copper	436.7	437.6	0.21
MCX Aluminium	134.45	134.25	-0.15
MCX Zinc	192.45	193.4	0.49
MCX Lead	147.7	147.9	0.14
MCX Nickel	875.4	875.9	0.06

## Base Metal Related News

Base metals prices rose higher after the U.S. Federal Reserve said it would be patient with interest rate hikes, although a second straight monthly contraction in manufacturing activity in China capped gains.

China PMI for January ticked up fractionally to 49.5, but remained below the 50-point level that separates growth from contraction on a monthly basis.

China stepped up its efforts in infrastructure construction, with the country's NDRC having guaranteed green light to infrastructure projects with investment totalling over 500 billion yuan in the first month of 2019.

The US dollar weakened following dovish comments from the US Federal Reserve in which the central bank pledged to be "patient" with future interest rate increases.

Production and sales of new energy vehicles (NEVs) across China are likely to exceed 1.5 million units in 2019,

## LME Inventory 31/01/2019

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	149200	100	119727	18849	-25	29.84
Aluminium	1287425	-2350	688821	822	-2250	41.37
Zinc	113425	-550	34510	5076	-550	46.15
Lead	75450	-1300	27306	-4276	-1300	47.08
Nickel	202032	0	12693	-1191	198	29.62

## Base Metal Outlook

Base Metal prices are trading flat to positive today. We expect metal prices to trade sideways to positive on weaker dollar and supportive US monetary policy however, there is a lot of uncertainty regarding US-China trade meeting outcome today. During the evening session, we have US unemployment claims to be released.

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
28-Jan					
2:30pm	EUR	M3 Money Supply y/y	4.10%	3.80%	3.70%
	EUR	Private Loans y/y	3.30%	3.40%	3.30%
	EUR	ECB President Draghi Speaks			
8:00pm	GBP	BOE Gov Carney Speaks			
29-Jan					
8:30pm	USD	CB Consumer Confidence	120.2	125	128.1
30-Jan					
5:20am	JPY	Retail Sales y/y	1.30%	0.90%	1.40%
All Day	EUR	German Prelim CPI m/m	-0.80%	-0.70%	0.10%
1:15pm	EUR	French Consumer Spending m/m	-1.50%		-0.30%
6:45pm	USD	ADP Non-Farm Employment Change	213K	170K	271K
8:30pm	USD	Pending Home Sales m/m	-2.20%	1.10%	-0.70%
9:00pm	USD	Crude Oil Inventories	0.9M	3.0M	8.0M
12:30am	USD	FOMC Statement			
	USD	Federal Funds Rate	<2.50%	<2.50%	<2.50%
1:00am	USD	FOMC Press Conference			
EVENTS FOR TODAY					
5:20am	JPY	Prelim Industrial Production m/m	-0.10%	-0.50%	-1.00%
6:30am	CNY	Manufacturing PMI	49.5	49.3	49.4
	CNY	Non-Manufacturing PMI	54.7	53.9	53.8
10:30am	JPY	Housing Starts y/y	2.10%	2.10%	-0.60%
12:30pm	EUR	German Retail Sales m/m	-4.30%	-0.40%	1.40%
3:30pm	EUR	Prelim Flash GDP q/q		0.20%	0.20%
	EUR	Unemployment Rate		7.90%	7.90%
Tentative	EUR	Italian Prelim GDP q/q		-0.10%	-0.10%
7:00pm	USD	Unemployment Claims		210K	199K
8:15pm	USD	Chicago PMI		61	65.4
9:00pm	USD	Natural Gas Storage			-163B
1-Feb					
6:00am	JPY	Final Manufacturing PMI		50	50
7:15am	CNY	Caixin Manufacturing PMI		49.7	49.7
2:25pm	EUR	German Final Manufacturing PMI		4990.00%	4990.00%
2:30pm	EUR	Final Manufacturing PMI		50.5	50.5
3:30pm	EUR	CPI Flash Estimate y/y		1.40%	1.60%
	EUR	Core CPI Flash Estimate y/y		0.01	0.01
7:00pm	USD	Average Hourly Earnings m/m		0.003	0.40%
	USD	Non-Farm Employment Change		165K	312K
	USD	Unemployment Rate		0.038	0.039
8:15pm	USD	Final Manufacturing PMI		54.9	54.9
8:30pm	USD	ISM Manufacturing PMI		54.3	54.1
	USD	Revised UoM Consumer Sentiment		90.7	90.7
	USD	Revised UoM Inflation Expectations			0.027
All Day	USD	Total Vehicle Sales		17.2M	17.6M

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Correspondence Office Address: Arch Waterfront, 5<sup>th</sup> Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; [www.narnolia.com](http://www.narnolia.com).

Registered Office Address: Marble Arch, Office 201, 2<sup>nd</sup> Floor, 236B, A/C Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; [www.narnolia.com](http://www.narnolia.com)

Compliance Officer: Manish Kr Agarwal, Email Id: [mkgarwal@narnolia.com](mailto:mkgarwal@narnolia.com), Contact No.-033-40541700.

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