

Base Metals

	Previous	CMP	% Change
Comex Copper	2.785	2.757	-1.01
LME Copper	6164.75	6113	-0.84
LME Aluminium	1907.5	1897	-0.55
LME Zinc	2724	2720	-0.15
LME Lead	2110.25	2109	-0.06
LME Nickel	12467.5	12497	0.24
MCX Copper	437.6	436.2	-0.32
MCX Aluminium	136	135.8	-0.15
MCX Zinc	195.15	196.05	0.46
MCX Lead	150.2	150.65	0.30
MCX Nickel	884.9	892.4	0.85

Base Metal Related News

Base metals prices rose higher after the Fed said it would be patient with interest rate hikes, although fall in manufacturing data in China capped gains.

China's industrial metals mostly went up ahead of the week-long national holiday, as expectations of progress in high-level trade talks between China and the United States shored up market sentiment.

China's Caixin manufacturing PMI released early showed manufacturing sector shrank more than expected in January; the index fell for a second straight month to 48.3 to reached its worst reading since February 2016.

Aluminium Corp of China known as Chalco, said it had stopped production at an aluminium smelting plant in eastern China's Shandong province, citing high electricity costs.

China's crude stainless steel output rose 3.6% to a new high in 2018, according to data released by the China Stainless Steel Council.

LME Inventory 01/02/2019

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	149950	750	119727	18849	-175	29.58
Aluminium	1284125	-3300	688821	822	-1900	41.33
Zinc	113200	-225	34510	5076	-225	46.05
Lead	72450	-3000	27306	-4276	-3000	44.89
Nickel	201702	-330	12693	-1191	1470	30.40

Base Metal Outlook

Base Metal prices are trading flat to negative today. We expect metal prices to trade positive for the day on dovish Fed policy and supporting China fiscal measures ahead of the Chinese New Year holidays on February 4-10. During the evening session, we have US Non-farm payrolls data 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			
31-Jan					
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%	0.20%
	EUR	Unemployment Rate	7.90%	7.90%	7.90%
Tentative	EUR	Italian Prelim GDP q/q	-0.20%	-0.10%	-0.10%
7:00pm	USD	Unemployment Claims	253K	210K	199K
8:15pm	USD	Chicago PMI	56.7	61	65.4
9:00pm	USD	Natural Gas Storage	-173B	-191B	-163B
EVENTS FOR TODAY					
6:00am	JPY	Final Manufacturing PMI	50.3	50	50
7:15am	CNY	Caixin Manufacturing PMI	48.3	49.7	49.7
2:25pm	EUR	German Final Manufacturing PMI	49.7	49.9	49.9
2:30pm	EUR	Final Manufacturing PMI	50.5	50.5	50.5
3:30pm	EUR	CPI Flash Estimate y/y		1.40%	1.60%
	EUR	Core CPI Flash Estimate y/y		1.00%	1.00%
7:00pm	USD	Average Hourly Earnings m/m		0.30%	0.40%
	USD	Non-Farm Employment Change		165K	312K
	USD	Unemployment Rate		3.80%	3.90%
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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