

Base Metals

	Previous	CMP	% Change
Comex Copper	2.723	2.733	0.37
LME Copper	6042.5	6058	0.26
LME Aluminium	1840.25	1837	-0.18
LME Zinc	2591.75	2618.25	1.02
LME Lead	1812	1812.5	0.03
LME Nickel	11930	11997.5	0.57
MCX Copper	426.35	427	0.15
MCX Aluminium	150.2	149.6	-0.40
MCX Zinc	213.9	215	0.51
MCX Lead	127.05	126.95	-0.08
MCX Nickel	840.3	845	0.56

Base Metal Related News

Base Metal prices rose after U.S. President Donald Trump insisted that trade talks with China had not collapsed.

China reported surprisingly weaker growth in industrial output and retail sales for April, reinforcing expectations that Beijing needs to roll out more stimulus measures as the trade war with the United States escalates.

Production of crude steel in China in April grew 12.7% from a year ago to stand at 85.03 million mt, the NBS said.

Zinc cash/three-month spread continuing to trade in a wide backwardation, recently seen at \$143 per tonne.

Property sales by floor area in China, a major indicator of demand, dipped 0.3% year on year in January-April.

China churned out 2.92 million tonnes of the metal last month, the National Bureau of Statistics that was up 1.4% from 2.88 million tonnes in March.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	194100	-4400	194208	-17422	-4875	9.38
Aluminium	1260950	-5200	601362	-20545	2925	31.17
Zinc	105075	-325	69788	-2302	-325	15.23
Lead	73875	100	32194	3207	-225	2.44
Nickel	167520	-1476	9123	-351	-1560	38.31

Base Metal Outlook

Base metals are trading mixed today. We expect base metal to trade sideways to up after Trump said the trade talks have not collapsed bringing some optimism in markets. However, with the poor release of Chinese data we expect not much upside is expected in Metals for the day. One can maintain buy on dips strategy in Nickel and sell on rise in Lead for the day.

15th May 2019

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
13-May					
7:00am	AUD	Home Loans m/m	-2.50%	2.20%	1.40%
6:40pm	USD	FOMC Member Clarida Speaks			
14-May					
10:30am	JPY	Economy Watchers Sentiment	45.3	45.9	44.8
11:30am	EUR	German Final CPI m/m	1.00%	1.00%	1.00%
	EUR	German WPI m/m	0.60%	0.40%	0.30%
14th-18th	CNY	Foreign Direct Investment ytd/y			6.50%
12:45pm	USD	FOMC Member Williams Speaks			
2:00pm	GBP	Average Earnings Index 3m/y	3.20%	3.40%	3.50%
	GBP	Unemployment Rate	3.80%	3.90%	3.90%
2:30pm	EUR	German ZEW Economic Sentiment	-2.1	5.1	3.1
	EUR	Industrial Production m/m	-0.30%	-0.30%	-0.20%
	EUR	ZEW Economic Sentiment	-1.6	5	4.5
10:15pm	USD	FOMC Member George Speaks			
EVENTS FOR TODAY					
7:30am	CNY	Fixed Asset Investment ytd/y	6%	6.40%	6.30%
	CNY	Industrial Production y/y	5.40%	6.50%	8.50%
	CNY	Retail Sales y/y	7.20%	8.60%	8.70%
	CNY	Unemployment Rate	5.00%		5.20%
11.30am	EUR	German Prelim GDP q/q		0.20%	0.20%
2:30pm	EUR	Flash GDP q/q		0.40%	0.40%
6.00pm	USD	Core Retail Sales m/m		0.70%	1.20%
	USD	Retail Sales m/m		0.20%	1.60%
	USD	Empire State Manufacturing Index		8.2	10.1
6:45pm	USD	Capacity Utilization Rate		78.70%	78.80%
	USD	Industrial Production m/m		0.00%	-0.10%
7:00pm	USD	FOMC Member Quarles Speaks			
	USD	NAHB Housing Market Index		64	63
8:00pm	USD	Crude Oil Inventories		0.0M	-4.0M
16-May					
2.30pm	EUR	Trade Balance		19.0B	19.5B
All Day	EUR	Eurogroup Meetings			
6:00pm	USD	Building Permits		1.29M	1.29M
	USD	Philly Fed Manufacturing Index		10	8.5
	USD	Housing Starts		1.21M	1.14M
	USD	Unemployment Claims		220K	228K
8:00pm	USD	Natural Gas Storage			86
9:45pm	USD	FOMC Member Brainard Speaks			
17-May					
2:30pm	EUR	Final CPI y/y		1.70%	1.70%
	EUR	Final Core CPI y/y		1.20%	1.20%
All Day	EUR	ECOFIN Meetings			
7:30pm	USD	Prelim UoM Consumer Sentiment		97.8	97.20%
	USD	Prelim UoM Inflation Expectations			2.50%
11:10pm	USD	FOMC Member Clarida Speaks			

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