

Base Metals

	Previous	CMP	% Change
Comex Copper	2.71	2.72	0.37
LME Copper	5999	6022	0.38
LME Aluminium	1825.5	1826.25	0.04
LME Zinc	2454.75	2445.25	-0.39
LME Lead	2075.25	2086.25	0.53
LME Nickel	14530	14057.5	-3.25
MCX Copper	451.95	449.35	-0.58
MCX Aluminium	141.6	141	-0.42
MCX Zinc	194.2	192.8	-0.72
MCX Lead	157.5	156.65	-0.54
MCX Nickel	1015.5	989	-2.61

Base Metal Related News

Base Metal prices advanced on Wednesday amid reports of progress in trade negotiations between the United States and China.

U.S. Treasury Secretary Steven Mnuchin and Trade Representative Robert Lighthizer will meet with Chinese Vice Premier Liu He for talks in Shanghai starting on July 30.

The difference between the LME cash lead contract over the three-month lead contract flipped to a premium of \$1.5 a tonne, indicating near-term supply shortage.

The shutdown of 1.5 million tonnes-per-year of alumina refining capacity in China will curb oversupply of the aluminium raw material.

Tsingshan Holding Group Co. cut ex-factory prices for products by 500 yuan from July 19, hurting the outlook for nickel demand.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled	CW as % of LME
					Warrants	Stocks
Copper	293850	475	154520	9241	3000	14.21
Aluminium	994650	34475	422022	2972	2250	26.16
Zinc	77250	-550	75519	1454	-550	40.71
Lead	57275	-1325	27211	1392	-1325	17.24
Nickel	147114	444	35262	1139	-552	29.98

Base Metal Outlook

Base metals are trading mixed today. We expect base metal prices to trade sideways to positive on hopes and optimism over trade deal between US and China and expectation of aggressive rate cut in the upcoming July meeting. The lack of demand due to slowdown in global growth are keeping the upside in base metals limited.

25th July 2019

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
22-Jul					
3.30pm	EUR	German Buba Monthly Report			
8.30pm	JPY	BOJ Gov Kuroda Speaks			
23-Jul					
3.30pm	GBP	CBI Industrial Order Expectations	-34	-15	-15
6.30pm	USD	HPI m/m	0.10%	0.30%	0.40%
7.30pm	USD	Existing Home Sales	5.27M	5.35M	5.34M
7.30pm	USD	Richmond Manufacturing Index	-12	5	3
24-Jul					
12.45pm	EUR	Flash Manufacturing PMI	46.40	47.60	47.60
12.45pm	EUR	Flash Services PMI	53.30	53.30	53.60
7.15pm	USD	Flash Manufacturing PMI	50.00	50.90	50.60
	USD	Flash Services PMI	52.20	51.60	51.50
7.30pm	USD	New Home Sales	646K	659K	626K
8.00pm	USD	Crude Oil Inventories	-10.8M	-4.2M	-3.1M
Events For The Today					
3.30pm	GBP	CBI Realized Sales		0.00	-42.00
6.00pm	USD	Core Durable Goods Orders m/m		0.20%	0.40%
	USD	Durable Goods Orders m/m		0.80%	-1.30%
	USD	Goods Trade Balance		-72.4B	-74.5B
	USD	Prelim Wholesale Inventories m/m		0.50%	0.40%
	USD	Unemployment Claims		220K	216K
8.00pm	USD	Natural Gas Storage		40B	62B
26-Jul					
11.30am	EUR	German Import Prices m/m		-0.80%	-0.10%
6.00pm	USD	Advance GDP q/q		1.80%	3.10%
	USD	Advance GDP Price Index q/q		4.00%	0.90%

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