

Base Metals

	Previous	CMP	% Change
Comex Copper	2.587	2.593	0.23
LME Copper	5745	5766	0.37
LME Aluminium	1760.25	1769	0.50
LME Zinc	2275.25	2272.5	-0.12
LME Lead	2018.75	2037.5	0.93
LME Nickel	15460	15605	0.94
MCX Copper	442.8	443.7	0.20
MCX Aluminium	140.2	140.35	0.11
MCX Zinc	185	184.25	-0.41
MCX Lead	154	153.75	-0.16
MCX Nickel	1102.1	1114.6	1.13

Base Metal Related News

Base Metals hovering around a two-year low, as a year-long U.S.-China trade war escalated and the Chinese offshore yuan fell to an all-time low.

Production at Chile's state-owned Codelco copper mining company fell 12.1% to 769,400 tonnes in the first half of 2019 compared with the same period last year.

China's imports of unwrought copper and copper products in July climbed to the highest since February and stood at 420,000 mt, showed data from China Customs on Thursday August 8.

China's nickel ore market is likely to see tightness in the remainder of the year if Indonesia stops granting export quotas and brings forward the export band from the previously scheduled 2022.

About 73,500 new energy vehicles obtained qualification certificates in China in July, showed SMM data. This was down 43% from a month ago and 18.3% from a year ago, marking the first year-over-year decline.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Change in Canceled Warrants	CW as % of LME Stocks
Copper	274525	-1425	155971	6782	-1425	9.43
Aluminium	1011825	-5700	403660	7260	21025	29.19
Zinc	77150	-350	75781	797	225	37.52
Lead	84000	-775	40497	4777	-2725	8.78
Nickel	142032	126	28412	1255	-1836	27.78

Base Metal Outlook

Base metals are trading higher today. We expect base metal prices to trade positive on better than expected trade data in China as commodity purchases by China rebounded strongly in July. One can maintain buy on dips strategy in Copper while sell on rise in Lead for the day.

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
5-Aug					
7:15am	CNY	Caixin Services PMI	51.6	52	52
12:45pm	EUR	Spanish Services PMI	52.9	53.6	53.6
1:15pm	EUR	Italian Services PMI	51.7	50.6	50.5
1:20pm	EUR	French Final Services PMI	52.6	52.2	52.2
1:25pm	EUR	German Final Services PMI	54.5	55.4	55.4
1:30pm	EUR	Final Services PMI	53.2	53.3	53.3
2:00pm	EUR	Sentix Investor Confidence	-13.7	-6.9	-5.8
	GBP	Services PMI	51.4	50.4	50.2
7:15pm	USD	Final Services PMI	53	52.2	52.2
7:30pm	USD	ISM Non-Manufacturing PMI	53.7	55.5	55.1
6-Aug					
11:30am	EUR	German Factory Orders m/m	2.50%	0.50%	-2.20%
7:30pm	USD	JOLTS Job Openings	7.35	7.45M	7.32M
Tentative	USD	IBD/TIPP Economic Optimism	55.1	54.6	56.6
9:30pm	USD	FOMC Member Bullard Speaks			
7-Aug					
11:30am	EUR	German Industrial Production m/m	-1.50%	-0.60%	0.30%
12:15pm	EUR	French Trade Balance	-5.19B	-4.0B	-3.3B
8:00pm	USD	Crude Oil Inventories	2.4M		-8.5M
10:31pm	USD	10-y Bond Auction	1.67/2.2		2.06 2.4
12:30am	USD	Consumer Credit m/m	14.6B	17.0B	17.1B
EVENTS FOR TODAY					
Tentative	CNY	Trade Balance	310B	310B	345B
Tentative	CNY	USD-Denominated Trade Balance	45.1B	44.2B	51.0B
1:30pm	EUR	ECB Economic Bulletin			
8th-14th	CNY	New Loans			1660B
8th-14th	CNY	M2 Money Supply y/y		8.50%	8.50%
6:00pm	USD	Unemployment Claims		217K	215K
8:00pm	USD	Natural Gas Storage			65B
10:31pm	USD	30-y Bond Auction			2.64 2.1
9-Aug					
5:20am	JPY	M2 Money Stock y/y		2.30%	2.30%
	JPY	Prelim GDP Price Index y/y		0.40%	0.10%
	JPY	Prelim GDP q/q		0.10%	0.60%
7:00am	CNY	CPI y/y		2.70%	2.70%
	CNY	PPI y/y		0.00%	0.00%
10:30am	JPY	Economy Watchers Sentiment			
11:30am	EUR	German Trade Balance		18.5B	18.7B
12:15pm	EUR	French Industrial Production m/m		2.10%	2.10%
1:30pm	EUR	Italian Trade Balance		4.23B	5.35B
2:00pm	GBP	GDP m/m		0.001	0.003
	GBP	Prelim GDP q/q		0	0.50%
	GBP	Goods Trade Balance			-11.5B
	GBP	Industrial Production m/m			1.40%
6:00pm	USD	Core PPI m/m			0.003
	USD	PPI m/m			0.10%

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