

Base Metals

	Previous	CMP	% Change
Comez Copper	2.663	2.683	0.75
LME Copper	5883.5	5914.25	0.52
LME Aluminium	1811	1811.75	0.04
LME Zinc	2533.25	2536	0.11
LME Lead	2166.75	2166.25	-0.02
LME Nickel	16327.5	16332.5	0.03
MCX Copper	441.6	442.5	0.20
MCX Aluminium	133.6	133.65	0.04
MCX Zinc	190.9	191.3	0.21
MCX Lead	156.85	156.8	-0.03
MCX Nickel	1173.8	1173.8	0.00

Base Metal Related News

Base Metals prices down on dwindling confidence of a long-term trade deal being struck between the United States and China weighing on the complex.

Chinese offshore Yuan strengthens past 7 against the dollar; for the first time since August.

China's central bank cut the interest rate on its medium-term lending facility for the first time since early 2016, as policymakers work to prop up a slowing economy hit by weaker demand at home and abroad.

Copper miner Antofagasta has cut its 2019 copper production guidance by 10,000 tonnes after demonstrations and unrest in Chile.

China is pushing Trump to remove more tariffs imposed in September as part of a "phase one" U.S.-China trade deal.

China's services sector activity expanded at its slowest pace in eight months in October as new orders slowed and business confidence hit a 15-mth low.

LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Stock	Change	Stock	Change		
Copper	248000	-3550	149911	6901	-3675	30.77
Aluminium	951275	-2300	278736	-16101	3050	17.71
Zinc	53525	-625	66351	2276	-350	48.06
Lead	70075	0	21411	3092	0	8.63
Nickel	69474	2874	27538	2892	-396	49.19

Base Metal Outlook

Base metals are trading positive in international markets. We expect base metal prices to trade sideways to positive after the positive comments from both the sides on Phase I trade deal however China doubts on long term trade deal with US. During the evening session, we have US ISM Non Manufacturing data to be released.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
4-Nov					
All Day	JPY	Bank Holiday			
1:45pm	EUR	Spanish Manufacturing PMI	46.5	47.5	47.7
2:15pm	EUR	Italian Manufacturing PMI	47.7	47.6	47.8
2:20pm	EUR	French Final Manufacturing PMI	50.7	50.5	50.5
2:25pm	EUR	German Final Manufacturing PMI	42.1	41.9	41.9
2:30pm	EUR	Final Manufacturing PMI	45.9	45.7	45.7
3:00pm	EUR	Sentix Investor Confidence	-4.5	-13.2	-16.8
	GBP	Construction PMI	44.2	44.3	43.3
8:30pm	USD	Factory Orders m/m	-0.60%	-0.50%	-0.10%
12:00am	EUR	ECB President Lagarde Speaks			
EVENTS FOR TODAY					
7:15am	CNY	Caixin Services PMI	51.1	51.5	51.3
3:00pm	GBP	Services PMI	50	49.6	49.5
3:30pm	EUR	PPI m/m		0.10%	-0.50%
7:00pm	USD	Trade Balance		-53.0B	-54.9B
8:15pm	USD	Final Services PMI		51	51
8:30pm	USD	ISM Non-Manufacturing PMI		53.5	52.6
	USD	JOLTS Job Openings			7.05M
5th-9th	USD	Mortgage Delinquencies			4.53%
Tentative	USD	IBD/TIPP Economic Optimism		53.2	52.6
6-Nov					
12:30pm	EUR	German Factory Orders m/m		0.10%	-0.60%
1:45pm	EUR	Spanish Services PMI		52.8	53.3
2:15pm	EUR	Italian Services PMI		51	51.4
2:20pm	EUR	French Final Services PMI		52.9	52.9
2:25pm	EUR	German Final Services PMI		51.2	51.2
2:30pm	EUR	Final Services PMI		51.8	51.8
3:30pm	EUR	Retail Sales m/m		0.10%	0.30%
6:30pm	USD	FOMC Member Evans Speaks			
7:00pm	USD	Prelim Nonfarm Productivity q/q		1.00%	2.30%
	USD	Prelim Unit Labor Costs q/q		2.20%	2.60%
8:00pm	USD	FOMC Member Williams Speaks			
9:00pm	USD	Crude Oil Inventories			5.7M
11:31pm	USD	10-y Bond Auction			1.59 2.4
7-Nov					
12:30pm	EUR	German Industrial Production m/m		-0.30%	0.30%
2:30pm	EUR	ECB Economic Bulletin			
3:30pm	EUR	EU Economic Forecasts			
All Day	EUR	Eurogroup Meetings			
5:30pm	GBP	BOE Inflation Report			
	GBP	MPC Official Bank Rate Votes		0-0-9	0-0-9
	GBP	Official Bank Rate		0.75%	0.75%
	GBP	Asset Purchase Facility		435B	435B
6:00pm	GBP	BOE Gov Carney Speaks			
7:00pm	USD	Unemployment Claims		215K	218K
9:00pm	USD	Natural Gas Storage			89B
11:31pm	USD	30-y Bond Auction			2.17 2.2
8-Nov					
Tentative	CNY	Trade Balance			275B
Tentative	CNY	USD-Denominated Trade Balance		40.6B	39.7B
12:30pm	EUR	German Trade Balance		19.3B	18.1B
All Day	EUR	ECOFIN Meetings			
7:00pm	USD	FOMC Member Brainard Speaks			
8:30pm	USD	Prelim UoM Consumer Sentiment		96	95.5
	USD	Final Wholesale Inventories m/m			-0.30%
	USD	Prelim UoM Inflation Expectations			2.50%

5th November 2019

Narnolia Financial Advisors Ltd | Market Strategy Desk

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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email ID: mikagarwal@narnolia.com, Contact No.:033-40541700.

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