

Base Metals

| | Previous | CMP | % Change |
|---------------|----------|---------|----------|
| Comex Copper | 2.787 | 2.768 | -0.68 |
| LME Copper | 6136.75 | 6105.25 | -0.51 |
| LME Aluminium | 1819.5 | 1815.75 | -0.21 |
| LME Zinc | 2309.5 | 2319 | 0.41 |
| LME Lead | 1917 | 1911 | -0.31 |
| LME Nickel | 13772.5 | 13682.5 | -0.65 |
| MCX Copper | 441.8 | 441.7 | -0.02 |
| MCX Aluminium | 139.9 | 140.55 | 0.46 |
| MCX Zinc | 180.2 | 181.5 | 0.72 |
| MCX Lead | 152.2 | 152.45 | 0.16 |
| MCX Nickel | 1019.9 | 1020 | 0.01 |

Base Metal Related News

Base metal price gains were mild against a backdrop of rising geopolitical tensions in the Middle East.

Chinese delegation plans to travel to Washington next week for the signing of a "phase one" trade deal.

In US data on Friday, the Institute for Supply Management (ISM) manufacturing purchasing managers' index fell to 47.2 in December, from 48.1 previously, to record its lowest reading since June 2009.

China will keep monetary policy prudent, flexible and appropriate, and continue to deepen financial reforms, the central bank said on Sunday.

The premium of cash LME zinc over the three-month contract stood at \$14.75 a tonne, the highest since Dec. 2, indicating tight near-term supply.

Zinc prices at its highest since Dec. 23 on concerns about falling stocks which stand at just 51,125 tonnes in LME-registered warehouses.

LME Inventory

| Commodity | LME Stock | Change | Shanghai Stock | Change | Canceled Warrants | CW as % of LME Stocks |
|-----------|-----------|--------|----------------|--------|-------------------|-----------------------|
| Copper | 142900 | -1625 | 141317 | 17670 | 150 | 31.08 |
| Aluminium | 1460250 | -7725 | 188027 | 2900 | 1100 | 38.26 |
| Zinc | 50775 | -350 | 30806 | 2752 | 150 | 17.26 |
| Lead | 66525 | 425 | 44762 | 200 | -100 | 7.07 |
| Nickel | 159450 | 3072 | 37304 | -103 | 1032 | 17.37 |

Base Metal Outlook

Base metals are trading mixed in international markets. We expect base metal prices to supportive at lower levels as US-China decides a date to sign the phase agreement next week But, after US attacked the Iraq's powerful militia tensions in the global markets are keeping upside in prices limited. There are with a host of services PMI data from Europe and the US.

6th January 2020

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| Important Events For The Week | | | | | |
|-------------------------------|-----|----------------------------------|--------|----------|----------|
| | Cur | | Actual | Forecast | Previous |
| EVENTS FOR TODAY | | | | | |
| 6:00am | JPY | Final Manufacturing PMI | | | 48.8 |
| 7:15am | CNY | Caixin Services PMI | 52.5 | 53.2 | 53.5 |
| 12:30pm | EUR | German Retail Sales m/m | 2.10% | 1.10% | -1.90% |
| All Day | EUR | Italian Bank Holiday | | | |
| 1:45pm | EUR | Spanish Services PMI | 54.9 | 53.9 | 53.2 |
| 2:30pm | EUR | Final Services PMI | 52.8 | 52.4 | 52.4 |
| 3:00pm | EUR | Sentix Investor Confidence | | 3 | 0.7 |
| | GBP | Final Services PMI | | 49.1 | 49 |
| 3:30pm | EUR | PPI m/m | | 0.10% | 0.10% |
| 8:15pm | USD | Final Services PMI | | 52.2 | 52.2 |
| 7-Jan | | | | | |
| 3:30pm | EUR | CPI Flash Estimate y/y | | 1.30% | 1.00% |
| | EUR | Core CPI Flash Estimate y/y | | 1.30% | 1.30% |
| | EUR | Retail Sales m/m | | 0.60% | -0.60% |
| 7:00pm | USD | Trade Balance | | -44.5B | -47.2B |
| 8:30pm | USD | ISM Non-Manufacturing PMI | | 54.5 | 53.9 |
| | USD | Factory Orders m/m | | -0.60% | 0.30% |
| 8-Jan | | | | | |
| 10:30am | JPY | Consumer Confidence | | 39.6 | 38.7 |
| 12:30pm | EUR | German Factory Orders m/m | | 0.20% | -0.40% |
| 6:45pm | USD | ADP Non-Farm Employment Change | | 160K | 67K |
| 8:30pm | USD | FOMC Member Brainard Speaks | | | |
| 9:00pm | USD | Crude Oil Inventories | | | -11.5M |
| 11:31pm | USD | 10-y Bond Auction | | | 1.84 2.4 |
| 9-Jan | | | | | |
| 7:00am | CNY | CPI y/y | | 4.70% | 4.50% |
| | CNY | PPI y/y | | -0.40% | -1.40% |
| 12:30pm | EUR | German Industrial Production m/m | | 0.90% | -1.70% |
| | EUR | German Trade Balance | | 20.9B | 20.6B |
| 3:30pm | EUR | Unemployment Rate | | 7.50% | 7.50% |
| 6:30pm | USD | FOMC Member Clarida Speaks | | | |
| 7:00pm | USD | Unemployment Claims | | 221K | 222K |
| 9:00pm | USD | Natural Gas Storage | | | -58B |
| 10:00pm | USD | FOMC Member Williams Speaks | | | |
| 11:31pm | USD | 30-y Bond Auction | | | 2.31 2.5 |
| 10-Jan | | | | | |
| 10th-15th | CNY | New Loans | | 1250B | 1390B |
| 10th-15th | CNY | M2 Money Supply y/y | | 8.40% | 8.20% |
| 7:00pm | USD | Average Hourly Earnings m/m | | 0.30% | 0.20% |
| | USD | Non-Farm Employment Change | | 150K | 266K |
| | USD | Unemployment Rate | | 3.50% | 3.50% |
| 8:30pm | USD | Final Wholesale Inventories m/m | | 0.00% | 0.00% |

6th January 2020

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