

Base Metals

	Previous	CMP	% Change
Comex Copper	2.795	2.798	0.11
LME Copper	6169	6170	0.02
LME Aluminium	1818.75	1806.75	-0.66
LME Zinc	2352.75	2366.25	0.57
LME Lead	1908.5	1912.75	0.22
LME Nickel	13907.5	13842.5	-0.47
MCX Copper	449.1	449.8	0.16
MCX Aluminium	141.3	141.4	0.07
MCX Zinc	183	183.7	0.38
MCX Lead	151.75	152.1	0.23
MCX Nickel	1032.8	1032	-0.08

Base Metal Related News

Base metals in positive territory despite tensions in the Middle East flaring again after Iran fired more than a dozen missiles at two bases in Iraq that house United States troops.

Iran launched a missile attack on U.S.-led forces in Iraq in the early hours of Wednesday.

Chinese delegation plans to travel to Washington on Jan 13th, for the signing of a "phase one" trade deal.

China produced 2.4 million mt of stainless steel in December, down 1.65% from a month ago but up 9.05% from a year ago, showed SMM data.

China's zinc production is up 1.18% mom and 19.76% yoy and its full-year production to 5.84 million mt, up 9.64% from 2018 while lead production rose 0.86% from 2018 level.

Copper stocks in LME warehouses have slumped by 57.5% since late August and are currently at 140,950 tonnes, the lowest since March 2019.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME Stocks
Copper	138400	-2525	141317	17670	-1975	29.57
Aluminium	1436350	-12275	188027	2900	-7575	35.69
Zinc	50175	-325	30806	2752	-275	16.39
Lead	66525	0	44762	200	0	7.03
Nickel	166098	4662	37304	-103	732	17.26

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 I agreement next week But, after US attacked the Iraq's powerful militia tensions in the global markets are keeping upside in prices limited. During the evening session, the US' ADP non-farm employment change and crude oil inventories are to be released today.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
6-Jan					
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	7.6	3	0.7
	GBP	Final Services PMI	50	49.1	49
3:30pm	EUR	PPI m/m	0.20%	0.10%	0.10%
8:15pm	USD	Final Services PMI	52.8	52.2	52.2
7-Jan					
3:30pm	EUR	CPI Flash Estimate y/y	1.30%	1.30%	1.00%
	EUR	Core CPI Flash Estimate y/y	1.30%	1.30%	1.30%
	EUR	Retail Sales m/m	0.20%	0.60%	-0.60%
7:00pm	USD	Trade Balance	-43.1B	-44.5B	-47.2B
8:30pm	USD	ISM Non-Manufacturing PMI	55	54.5	53.9
	USD	Factory Orders m/m	-0.70%	-0.60%	0.30%
EVENTS FOR TODAY					
10:30am	JPY	Consumer Confidence	39.1	39.6	38.7
12:30pm	EUR	German Factory Orders m/m	-1.30%	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		-3.4M	-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%

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