

Base Metals

	Previous	CMP	% Change
Comex Copper	2.845	2.85	0.18
LME Copper	6268.75	6274.5	0.09
LME Aluminium	1804.75	1811.5	0.37
LME Zinc	2428.75	2433	0.17
LME Lead	1979.5	1988	0.43
LME Nickel	13937.5	13977.5	0.29
MCX Copper	454.6	455.5	0.20
MCX Alumini	140.55	140.85	0.21
MCX Zincmini	183.95	184.2	0.14
MCX Leadmini	151.75	152.6	0.56
MCX Nickel	1024	1027.3	0.32

Base Metal Related News

Base metals were steady on Monday, as top consumer China posted solid growth in key metal consuming sectors, but trading volume was low ahead of a long holiday in the country

China's industrial output and retail sales in December as well as 2019 fixed-asset investment all rose better than expected.

China's market regulator published new standards for high-grade copper scrap and aluminium scrap metal on Sunday.

Historically low stocks of zinc in London Metal Exchange registered warehouses are likely to fuel price volatility and confound those investors looking at an oversupplied market and expecting significantly lower prices.

SHFE lead stocks are down by 13,494 tonnes At 28,306 tonnes on Friday, from the 41,800 tonnes recorded a week earlier.

Copper production last year in Peru, the world's no.2 copper producer, rose 4% annually to 2.5 million tonnes.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME Stocks
Copper	124225	-1025	134812	1067	39250	31.34
Aluminium	1324725	-13050	220087	26188	683250	51.07
Zinc	51125	-325	40433	8666	7775	15.11
Lead	66250	0	28306	-13494	12825	19.36
Nickel	187782	4848	36434	-469	54318	29.69

Base Metal Outlook

Base metals are trading higher in international markets. We expect base metal prices to trade sideways to positive after China economic improves sentiments as data came in slightly better than expected. However, worries persists if the recovery would be sustainable. The continued restocking demand of metals comes ahead of the Chinese New Year holiday. Lack of economic data in the evening session will keep the price volatility limited.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
EVENTS FOR TODAY					
20th-23rd	CNY	Foreign Direct Investment ytd/y			6.00%
10:00am	JPY	Revised Industrial Production m/m	-1.00%	-0.90%	-0.90%
12:30pm	EUR	German PPI m/m	0.10%	0.00%	0.00%
All Day	EUR	Eurogroup Meetings			
All Day	USD	Bank Holiday			
21-Jan					
Tentative	JPY	BOJ Outlook Report			
Tentative	JPY	Monetary Policy Statement			
Tentative	JPY	BOJ Policy Rate		-0.10%	-0.10%
Tentative	JPY	BOJ Press Conference			
Day 1	All	WEF Annual Meetings			
3:00pm	GBP	Average Earnings Index 3m/y		3.10%	3.20%
	GBP	Claimant Count Change		33.4K	28.8K
	GBP	Unemployment Rate		3.80%	3.80%
3:30pm	EUR	German ZEW Economic Sentiment		15.2	10.7
	EUR	ZEW Economic Sentiment		16.3	11.2
22-Jan					
Day 2	All	WEF Annual Meetings			
7:30pm	USD	HPI m/m		0.30%	0.20%
8:30pm	USD	Existing Home Sales		5.43M	5.35M
23-Jan					
5:20am	JPY	Trade Balance		-0.24T	-0.06T
10:00am	JPY	All Industries Activity m/m		0.40%	-4.30%
Day 3	All	WEF Annual Meetings			
6:15pm	EUR	Main Refinancing Rate		0.00%	0.00%
7:00pm	EUR	ECB Press Conference			
	USD	Unemployment Claims		214K	204K
8:30pm	EUR	Consumer Confidence		-8	-8
9:00pm	USD	Natural Gas Storage			-109B
9:30pm	USD	Crude Oil Inventories			-2.5M
24-Jan					
6:00am	JPY	Flash Manufacturing PMI		48.9	48.4
1:45pm	EUR	French Flash Services PMI		52.2	52.4
	EUR	French Flash Manufacturing PMI		50.5	50.4
2:00pm	EUR	German Flash Manufacturing PMI		44.6	43.7
	EUR	German Flash Services PMI		53.2	52.9
	GBP	MPC Member Haskel Speaks			
2:30pm	EUR	Flash Manufacturing PMI		46.9	46.3
	EUR	Flash Services PMI		52.9	52.8
Day 4	All	WEF Annual Meetings			
3:00pm	EUR	ECB President Lagarde Speaks			
	GBP	Flash Manufacturing PMI		48.8	47.5
	GBP	Flash Services PMI		51.1	50
7:30pm	EUR	Belgian NBB Business Climate		-3.2	-3.4
8:15pm	USD	Flash Manufacturing PMI		52.6	52.4
	USD	Flash Services PMI		52.5	52.8

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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: mkaragwal@narnolia.com, Contact No.:033-40541700.

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