

Base Metals

	Previous	CMP	% Change
Comex Copper	2.507	2.558	2.03
LME Copper	5559	5666.25	1.93
LME Aluminium	1697.25	1706.75	0.56
LME Zinc	2163.75	2219.25	2.56
LME Lead	1831	1855.5	1.34
LME Nickel	12727.5	13092.5	2.87
MCX Copper	421.75	428	1.48
MCX Alumi	135.8	135.9	0.07
MCX Zincmini	170.35	172.5	1.26
MCX Leadmini	144.8	146.3	1.04
MCX Nickel	937.8	955.4	1.88

Base Metal Related News

Base metals complex showing more resilience after Monday's broad-based sell-off.

Overall confirmed cases of novel coronavirus infection on the Chinese mainland tops 20438 and total of 425 people had died.

Final manufacturing PMI were slightly better than expected from the United States and the United Kingdom, at 51.9 and 50 respectively.

Total vehicle sales from the US were at 16.8 million, in line with expectation

Aluminium's benchmark cash/three-month spread was recently seen in a \$26 per tonne contango, widening from a \$13.50 per tonne contango.

The global crude steel output in 2019 stood at 1.87 billion mt in 2019, up 3.4% from a year ago, according to data from the World Steel Association.

China's imports of Indonesian nickel ore jumped by nearly three-quarters in 2019, according to data from China Customs

LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Stock	Change	Stock	Change		
Copper	178325	-1475	134812	1067	32450	18.20
Aluminium	112875	-14575	220087	26188	455850	403.85
Zinc	49625	-150	40433	8666	6800	13.70
Lead	66800	0	28306	-13494	15950	23.88
Nickel	200940	4086	36434	-469	75258	37.45

Base Metal Outlook

Base metals are trading higher in international markets. We expect base metal prices are expected to rebound with China's central banks liquidity infusion providing some respite. However, despite firm prices, outlook still remains bearish as China might lower its growth target for 2020. One can maintain buy on dips in Metals for the day.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
3-Feb					
6:00am	JPY	Final Manufacturing PMI	48.8	49.3	49.3
7:15am	CNY	Caixin Manufacturing PMI	51.1	51	51.5
2:25pm	EUR	German Final Manufacturing PMI	45.3	45.2	45.2
2:30pm	EUR	Final Manufacturing PMI	47.9	47.8	47.8
3:00pm	GBP	Final Manufacturing PMI	50	49.8	49.8
8:15pm	USD	Final Manufacturing PMI	51.9	51.7	51.7
8:30pm	USD	ISM Manufacturing PMI	50.9	48.5	47.2
	USD	Construction Spending m/m	-0.20%	0.50%	0.60%
	USD	ISM Manufacturing Prices	53.3	52	51.7
All Day	USD	Wards Total Vehicle Sales	16.8M		16.7M
EVENTS FOR TODAY					
3:00pm	GBP	Construction PMI		48.1	44.4
3:30pm	EUR	PPI m/m		0.10%	0.20%
8:30pm	USD	Factory Orders m/m		0.70%	-0.70%
Tentative	USD	IBD/TIPP Economic Optimism		58.3	57.4
5-Feb					
7:15am	CNY	Caixin Services PMI		52	52.5
2:25pm	EUR	German Final Services PMI		54.2	54.2
2:30pm	EUR	Final Services PMI		52.2	52.2
3:00pm	GBP	Final Services PMI		52.9	52.9
3:30pm	EUR	Retail Sales m/m		-0.50%	1.00%
5:45pm	EUR	ECB President Lagarde Speaks			
6:45pm	USD	ADP Non-Farm Employment Change		150K	202K
7:00pm	USD	Trade Balance		-47.4B	-43.1B
8:15pm	USD	Final Services PMI		53.2	53.2
8:30pm	USD	ISM Non-Manufacturing PMI		55.1	55
9:00pm	USD	Crude Oil Inventories			3.5M
6-Feb					
12:30pm	EUR	German Factory Orders m/m		0.60%	-1.30%
1:30pm	EUR	ECB President Lagarde Speaks			
3:30pm	EUR	EU Economic Forecasts			
Tentative	EUR	French 10-y Bond Auction			
6:00pm	USD	Challenger Job Cuts y/y			-25.20%
7:00pm	USD	Prelim Nonfarm Productivity q/q		1.40%	-0.20%
	USD	Unemployment Claims		210K	216K
7:45pm	USD	FOMC Member Kaplan Speaks			
9:00pm	USD	Natural Gas Storage			-201B
7-Feb					
5:00am	JPY	Average Cash Earnings y/y		-0.10%	0.10%
	JPY	Household Spending y/y		-1.50%	-2.00%
5:45am	USD	FOMC Member Quarles Speaks			
Tentative	CNY	Trade Balance			329B
Tentative	CNY	USD-Denominated Trade Balance		36.8B	46.8B
12:30pm	EUR	German Industrial Production m/m		-0.20%	1.10%
	EUR	German Trade Balance		16.4B	18.3B
7:00pm	USD	Average Hourly Earnings m/m		0.30%	0.10%
	USD	Non-Farm Employment Change		160K	145K
	USD	Unemployment Rate		3.50%	3.50%
8:30pm	USD	Final Wholesale Inventories m/m		-0.10%	-0.10%

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