

Base Metals

	Previous	CMP	% Change
Comex Copper	2.546	2.56	0.55
LME Copper	5656	5676	0.35
LME Aluminium	1719.75	1714.25	-0.32
LME Zinc	2157.5	2153	-0.21
LME Lead	1814.25	1810.25	-0.22
LME Nickel	12832	13012	1.40
MCX Copper	430.9	430.6	-0.07
MCX Alumini	137.85	136.95	-0.65
MCX Zincmini	169.85	168.4	-0.85
MCX Leadmini	144.65	143.7	-0.66
MCX Nickel	940.7	947.2	0.69

Base Metal Related News

Base metals prices dropped on growing concerns over the spread of the novel coronavirus in China.

China's nonferrous metal output will fall at least 10% year-on-year in February, as the country battles the virus outbreak but operations are expected to normalise after the second quarter, the country's metal association said.

China's Jan inflation rose 5.4% year on year as compared to last 4.5% in Dec.

Chile state miner Codelco and BHP's sprawling Escondida mine saw copper output rise in December 2019, Chilean state copper agency Cochilco said.

Aluminium producer Norsk Hydro reported a lower-than-expected fourth-quarter profit, sapped by dwindling demand and falling metal prices.

China's factory-gate prices snapped six months of year-on-year declines in January, although prolonged business closures from the outbreak mean positive momentum is unlikely to persist.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	171750	225	134812	1067	36275	21.12
Aluminium	1225214	-13250	220087	26188	407100	33.23
Zinc	71150	8475	40433	8666	6600	9.28
Lead	66800	0	28306	-13494	8075	12.09
Nickel	204078	132	36434	-469	80070	39.23

Base Metal Outlook

Base metals are trading lower in international markets. We expect base metal prices to trade sideways to negative as China growth in the first quarter of 2020 would slow down to 5% as the coronavirus has substantial negative impact on the Chinese economy. One can maintain sell on rise in Metals for the day. Absence of any economic data will keep the market movement on the sideline.

10th February 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

Important Events For The Week					
	Cur		Actual	Forecast	Previous
EVENTS FOR TODAY					
5:20am	JPY	Bank Lending y/y	1.90%	1.70%	1.80%
	JPY	Current Account	1.71T	1.68T	1.79T
7:00am	CNY	CPI y/y	5.40%	4.90%	4.50%
	CNY	PPI y/y	0.10%	0.10%	-0.50%
10:30am	JPY	Economy Watchers Sentiment	41.9	39.2	39.8
3:00pm	EUR	Sentix Investor Confidence		6.1	7.6
6:45pm	USD	FOMC Member Bowman Speaks			
1:45am	USD	FOMC Member Harker Speaks			
11-Feb					
All Day	JPY	Bank Holiday			
11th-15th	CNY	New Loans		3100B	1140B
11th-15th	CNY	M2 Money Supply y/y		8.60%	8.70%
3:00pm	GBP	Prelim GDP q/q		0.00%	0.40%
	GBP	GDP m/m		0.20%	-0.30%
	GBP	Goods Trade Balance		-10.0B	-5.3B
	GBP	Industrial Production m/m		0.30%	-1.20%
	GBP	Prelim Business Investment q/q			0.00%
4:30pm	USD	NFIB Small Business Index		103.6	102.7
Tentative	GBP	NIESR GDP Estimate			0.00%
7:30pm	EUR	ECB President Lagarde Speaks			
8:30pm	USD	Fed Chair Powell Testifies			
	USD	JOLTS Job Openings		6.93M	6.80M
9:05pm	GBP	BOE Gov Carney Speaks			
10:30pm	GBP	MPC Member Haskel Speaks			
10:45pm	USD	FOMC Member Quarles Speaks			
12:45am	USD	FOMC Member Kashkari Speaks			
12-Feb					
5:20am	JPY	M2 Money Stock y/y		2.80%	2.70%
11th-18th	CNY	Foreign Direct Investment ytd/y			6.00%
3:30pm	EUR	Industrial Production m/m		-1.80%	0.20%
7:00pm	USD	FOMC Member Harker Speaks			
8:30pm	USD	Fed Chair Powell Testifies			
9:00pm	USD	Crude Oil Inventories			3.4M
11:31pm	USD	10-y Bond Auction			1.87 2.4
7:45pm	USD	FOMC Member Kaplan Speaks			
13-Feb					
5:20am	JPY	PPI y/y		1.50%	0.90%
12:30pm	EUR	German Final CPI m/m		-0.60%	-0.60%
3:30pm	EUR	EU Economic Forecasts			
7:00pm	USD	CPI m/m		0.20%	0.20%
	USD	Core CPI m/m		0.20%	0.10%
	USD	Unemployment Claims		210K	202K
9:00pm	USD	Natural Gas Storage			-137B
14-Feb					
12:30pm	EUR	German Prelim GDP q/q		0.10%	0.10%
	EUR	German WPI m/m		0.30%	0.00%
	EUR	Flash GDP q/q		0.10%	0.10%
	EUR	Trade Balance		19.1B	19.2B
7:00pm	USD	Core Retail Sales m/m		0.30%	0.70%
	USD	Retail Sales m/m		0.30%	0.30%
7:45pm	USD	Industrial Production m/m		-0.20%	-0.30%
8:30pm	USD	Prelim UoM Consumer Sentiment		99	99.8
	USD	Business Inventories m/m		0.10%	-0.20%
	USD	Prelim UoM Inflation Expectations			2.50%
10:15pm	USD	FOMC Member Mester Speaks			

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