

## Base Metals

	Previous	CMP	% Change
Comex Copper	2.34	2.37	1.28
LME Copper	5217.75	5253.5	0.69
LME Aluminium	1481.25	1485	0.25
LME Zinc	1986.5	1995	0.43
LME Lead	1636.25	1639	0.17
LME Nickel	12325	12320	-0.04
MCX Copper	404.3	404.55	0.06
MCX Aluminium	131.75	131.55	-0.15
MCX Zinc	153.45	153.55	0.07
MCX Lead	132.6	132.35	-0.19
MCX Nickel	938.4	936.7	-0.18

## Base Metal Related News

Base metal prices flat ahead of the release of China's trade data for April, although simmering trade tensions between Washington and Beijing pressured prices.

The US dollar continued to rebound as investors turned to the safe-haven currency in the wake of dire global economic data. The greenback advanced to its highest in more than a week against a basket of major currencies.

China's services firms wallowed in contraction in April as layoffs hit a record and export orders plunged after signs of improvement in March, poll said

Trump said on Wednesday he would be able to report in about a week or two whether China is fulfilling its obligations under a Phase 1 trade deal the two countries signed in January before the coronavirus spread globally.

A robust recovery in aluminium demand in China has boosted prices by more than 10% in a month, but traders say weak demand for Chinese exports could soon take the shine off the market.

China's April exports rose 3.5% from a year earlier, marking the first positive growth since December last year, customs data showed on Thursday.

## LME Inventory (06/05/2020)

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	293200	-250	295199	-14562	-1150	12.03
Aluminium	1319139	-150	482415	25450	-2675	14.08
Zinc	74400	-175	138746	-6352	-850	11.46
Lead	72276	100	14910	-437	250	21.04
Nickel	234471	0	30376	-179	-210	16.51

## Base Metal Outlook

Base metals are trading mixed today. We expect base metal prices to trade sideways to negative after the global economic activity slows down and after Chinese weak service PMI and high US unemployment figures released raises doubts about the swift recovery in prices.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
<b>04-May</b>					
12:45pm	EUR	Spanish Manufacturing PMI	30.8	35	45.7
1:15pm	EUR	Italian Manufacturing PMI	31.1	30.3	40.3
1:20pm	EUR	French Final Manufacturing PMI	31.5	31.5	31.5
1:25pm	EUR	German Final Manufacturing PMI	34.5	34.4	34.4
1:30pm	EUR	Final Manufacturing PMI	33.4	33.6	33.6
2:00pm	EUR	Sentix Investor Confidence	-41.8	-25.9	-42.9
Tentative	EUR	EU Economic Forecasts			
7:30pm	USD	Factory Orders m/m	-10.30%	-9.20%	0.00%
<b>05-May</b>					
Tentative	EUR	German Constitutional Court Ruling			
2:00pm	GBP	Final Services PMI	13.4	12	12.3
2:30pm	EUR	PPI m/m	-1.50%	-1.20%	-0.60%
6:00pm	USD	Trade Balance	-44.4B	-41.0B	-39.9B
7:15pm	USD	Final Services PMI	26.7	27	27
7:30pm	USD	ISM Non-Manufacturing PMI	41.8	37.5	52.5
	USD	IBD/TIPP Economic Optimism	49.7	35.2	47.8
<b>06-May</b>					
11:30am	EUR	German Factory Orders m/m	-15.60%	-10.00%	-1.40%
12:45pm	EUR	Spanish Services PMI	7.1	10	23
1:15pm	EUR	Italian Services PMI	10.8	10.1	17.4
1:20pm	EUR	French Final Services PMI	10.2	10.4	10.4
1:25pm	EUR	German Final Services PMI	16.2	15.9	15.9
1:30pm	EUR	Final Services PMI	12	11.7	11.7
2:30pm	EUR	Retail Sales m/m	-11.20%	-11.20%	0.90%
5:45pm	USD	ADP Non-Farm Employment Change	-20236K	-20000K	-27K
8:00pm	USD	Crude Oil Inventories	4.6M	8.5M	9.0M
<b>07-May</b>					
7:15am	CNY	Caixin Services PMI	44.4	50.5	43
Tentative	CNY	Trade Balance	318B	82B	139B
Tentative	CNY	USD-Denominated Trade Balance	45.3B	9.1B	19.9B
11:30am	EUR	German Industrial Production m/m	-9.20%	-7.30%	0.30%
	GBP	Official Bank Rate	0.10%	0.10%	0.10%
	GBP	Asset Purchase Facility	645B	645B	645B
6:00pm	USD	Unemployment Claims		3000K	3839K
	USD	Prelim Nonfarm Productivity q/q		-5.40%	1.20%
	USD	Prelim Unit Labor Costs q/q		3.80%	0.90%
8:00pm	USD	Natural Gas Storage		112B	70B
<b>08-May</b>					
11:30am	EUR	German Trade Balance		20.1B	21.6B
All Day	EUR	French Bank Holiday			
All Day	GBP	Bank Holiday			
6:00pm	USD	Average Hourly Earnings m/m		0.30%	0.40%
	USD	Non-Farm Employment Change		-21000K	-701K
	USD	Unemployment Rate		16.00%	4.40%
7:30pm	USD	Final Wholesale Inventories m/m		-1.00%	-1.00%

7th May 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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