

## Base Metals

	Previous	CMP	% Change
Comex Copper	2.458	2.455	-0.12
LME Copper	5444.75	5435.5	-0.17
LME Aluminium	1514	1511.5	-0.17
LME Zinc	2043.5	2022	-1.05
LME Lead	1692.75	1699.25	0.38
LME Nickel	12697	12730	0.26
MCX Copper	416.55	415.75	-0.19
MCX Aluminium	130.7	130.6	-0.08
MCX Zinc	158.5	157.65	-0.54
MCX Lead	131.8	131.65	-0.11
MCX Nickel	957.5	959	0.16

## Base Metal Related News

Base metal prices rise ahead of a Chinese government meeting this week expected to boost demand with pledges of higher spending on infrastructure to lift the metals consumer from a coronavirus-slump.

The Chinese government typically announces new plans and economic targets at the annual National People's Congress session which starts on May 22 and is closely watched for signs of demand increases for metals.

The global lead market narrowed its surplus to 14,200 tonnes in March from an overhang of 16,400 tonnes in February

The global zinc market surplus declined to 47,300 tonnes in March from a revised surplus of 140,500 tonnes in February

Indicating strong demand, the Yangshan copper premiums are currently assessed at \$113.5 a tonne, the highest since Oct. 2018.

World copper market was in a surplus of 188,000 mt in the first three months of 2020, following a deficit of 268,000 mt in the whole of 2019, the World Bureau of Metals Statistics (WBMS) reported on Wednesday.

## LME Inventory (20/05/2020)

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	275400	-1050	295199	-14562	-3525	13.70
Aluminium	1479114	30050	482415	25450	-4700	11.64
Zinc	74400	8900	138746	-6352	175	11.46
Lead	73376	-75	14910	-437	-200	20.68
Nickel	235041	-96	30376	-179	36	16.16

## Base Metal Outlook

Base metals are trading lower today. We expect base metal prices to trade higher on positive investor sentiment on hopes of vaccine development as the trial moves to the second phase and ahead of the long extended two-day China economic meeting on announcements of economic plans and targets. On the economic data front, US preliminary manufacturing purchasing managers' index (PMI) for May and existing home sales for April are also due today.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
<b>18-May</b>					
7:30pm	USD	NAHB Housing Market Index	37	35	30
<b>19-May</b>					
11:30am	GBP	Unemployment Rate	3.90%	4.40%	4.00%
2:30pm	EUR	ZEW Economic Sentiment	46	27.4	25.2
	EUR	German ZEW Economic Sentiment	51	30	28.2
All Day	EUR	ECOFIN Meetings			
6:00pm	USD	Building Permits	1.07M	1.00M	1.35M
	USD	Housing Starts	0.89M	0.95M	1.22M
7:30pm	USD	Fed Chair Powell Testifies			
	USD	FOMC Member Kashkari Speaks			
<b>20-May</b>					
11:30am	GBP	CPI y/y	0.80%	0.90%	1.50%
	GBP	Core CPI y/y	1.40%	1.40%	1.60%
2:30pm	EUR	Final CPI y/y	0.30%	0.40%	0.40%
	EUR	Final Core CPI y/y	0.90%	0.90%	0.90%
7:30pm	EUR	Consumer Confidence	-19	-23	-23
8:00pm	USD	Crude Oil Inventories	-5.0M	1.7M	-0.7M
11:30pm	USD	FOMC Meeting Minutes			
<b>21-May</b>					
ALL	EUR	Bank Holiday			
2:00pm	GBP	Flash Services PMI		20	13.4
	GBP	Flash Manufacturing PMI		35.1	32.6
6:00pm	USD	Philly Fed Manufacturing Index		-40	-56.6
	USD	Unemployment Claims		2400K	2981K
7:15pm	USD	Flash Manufacturing PMI		37.5	36.1
	USD	Flash Services PMI		32.6	26.7
7:30pm	USD	Existing Home Sales		4.31M	5.27M
7:30pm	USD	FOMC Member Williams Speaks			
8:00pm	USD	Natural Gas Storage		83B	103B
10:30pm	USD	FOMC Member Clarida Speaks			
12:00am	USD	Fed Chair Powell Speaks			
<b>22-May</b>					
11:30am	GBP	Retail Sales m/m		-16.00%	-5.10%
12:45pm	EUR	French Flash Services PMI		28.8	10.2
	EUR	French Flash Manufacturing PMI		35.6	31.5
1:00pm	EUR	German Flash Manufacturing PMI		39	34.5
	EUR	German Flash Services PMI		26.2	16.2
1:30pm	EUR	Flash Manufacturing PMI		38	33.4
	EUR	Flash Services PMI		23.9	

21st May 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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