

Base Metals

	Previous	CMP	% Change
Comex Copper	2.678	2.623	-2.05
LME Copper	5902.5	5815.75	-1.47
LME Aluminium	1627.75	1610.25	-1.08
LME Zinc	2030.25	2010.25	-0.99
LME Lead	1744.5	1718.75	-1.48
LME Nickel	13002.5	12697.5	-2.35
MCX Copper	450.65	445.1	-1.23
MCX Aluminium	138.4	137.15	-0.90
MCX Zinc	164.35	162.85	-0.91
MCX Lead	141.6	139.8	-1.27
MCX Nickel	985.7	969.3	-1.66

Base Metal Related News

Base metal prices traded on a mixed note following a broad rally overnight, as market participants digested the Federal Reserve's latest policy decision and outlook for the economy over the coming years.

The Fed left interest rates unchanged Wednesday and committed to maintaining its unprecedented stimulus plan.

On-warrant LME copper stocks fell to their lowest since Feb. 24 at 130,225 tonnes, while Shanghai copper inventories were lowest since Jan. 17.

Zinc arbitrage window remained closed, discouraging import interest from China.

The US dollar extended losses falling to a fresh three-month low against a basket of major currencies after the Federal Reserve made no policy changes, as expected.

China's consumer inflation continued to moderate in May, with the consumer price index (CPI) rising 2.4% year on year, compared with a 3.3% rise in April

New yuan loans hit 1.48 trillion yuan in May, a year-on-year increase of 298.4 billion yuan, the People's Bank of China (PBOC) said.

LME Inventory (10/06/2020)

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME
	Change		Change			Stocks
Copper	241775	-3100	144988	-30837	10425	47.80
Aluminium	1549039	-25	296305	-25755	-25	10.52
Zinc	74400	11450	107445	-3844	-1500	1.71
Lead	73851	0	8622	1221	0	21.02
Nickel	234657	300	25461	312	0	16.18

Base Metal Outlook

Base metals are trading mixed today. We expect prices to trade sideways to negative on weak global growth forecasts, lower inflation and high unemployment rate in US will dampen the outlook for commodity prices.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
08-Jun					
11:30am	EUR	German Industrial Production m/m	-17.90%	-16.00%	-9.20%
2:00pm	EUR	Sentix Investor Confidence	-24.8	-22	-41.8
7:15pm	EUR	ECB President Lagarde Speaks			
09-Jun					
11:30am	EUR	German Trade Balance	3.2B	11.9B	12.8B
All Day	EUR	ECOFIN Meetings			
3:30pm	USD	NFIB Small Business Index	94.4	92.1	90.9
7:30pm	USD	Final Wholesale Inventories m/m	0.30%	0.40%	0.40%
	USD	JOLTS Job Openings			6.19M
Tentative	USD	IBD/TIPP Economic Optimism	47	52.1	49.7
10-Jun					
7:00am	CNY	CPI y/y	2.40%	2.70%	3.30%
	CNY	PPI y/y	-3.70%	-3.20%	-3.10%
10th-15th	CNY	M2 Money Supply y/y	11.10%	11.30%	11.10%
10th-15th	CNY	New Loans	1480B	1600B	1700B
6:00pm	USD	CPI m/m	-0.10%	0.00%	-0.80%
	USD	Core CPI m/m	-0.10%	0.00%	-0.40%
8:00pm	USD	Crude Oil Inventories	5.7M		-2.1M
11:30pm	USD	FOMC Economic Projections			
	USD	FOMC Statement			
	USD	Federal Funds Rate	<0.25%	<0.25%	<0.25%
	USD	Federal Budget Balance	-398.8B	-600.0B	-737.9B
12:00am	USD	FOMC Press Conference			
11-Jun					
All Day	EUR	Eurogroup Meetings			
6:00pm	USD	Core PPI m/m		-0.10%	-0.30%
	USD	PPI m/m		0.10%	-1.30%
	USD	Unemployment Claims		1550K	1877K
8:00pm	USD	Natural Gas Storage			102B
12-Jun					
11th-18th	CNY	Foreign Direct Investment ytd/y			-6.10%
11:30am	GBP	GDP m/m		-18.00%	-5.80%
	GBP	Manufacturing Production m/m		-15.50%	-4.60%
	GBP	Industrial Production m/m		-15.00%	-4.20%
2:30pm	EUR	Industrial Production m/m		-20.00%	-11.30%
6:00pm	USD	Import Prices m/m		0.60%	-2.60%
Tentative	GBP	NIESR GDP Estimate			-11.80%
7:00pm	GBP	CB Leading Index m/m			
7:30pm	USD	Prelim UoM Consumer Sentiment		75	72.3
	USD	Prelim UoM Inflation Expectations			3.20%

11th June 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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