

Base Metals

	Previous	CMP	% Change
Comex Copper	2.595	2.63	1.35
LME Copper	5801	5866	1.12
LME Aluminium	1599.75	1603	0.20
LME Zinc	2045.25	2066	1.01
LME Lead	1794	1798	0.22
LME Nickel	12900	12970	0.54
MCX Copper	445.7	448.9	0.72
MCX Aluminium	136.75	137.05	0.22
MCX Zinc	161.7	162.6	0.56
MCX Lead	143.2	143.25	0.03
MCX Nickel	984.9	988.3	0.35

Base Metal Related News

Base metal prices traded mixed as traders grappled with disappointing US unemployment data and a potential second wave of the pandemic.

Nornickel has completed the first phase of cleaning a massive oil spill in its key mining division, an incident it recently told investors signaled no immediate danger to its mines.

Peru's miners are revving up stalled operations with mass testing, isolation periods and revamped shift patterns, setting up the world's No. 2 copper producer to hit 80% of production capacity by the end of June

Despite buying momentum, LME zinc's forward curve narrowed slightly over the day, with the metal's benchmark cash/three-month spread softening from a \$9-per-tonne contango in the morning to recently trading in a \$5.25-per-tonne contango.

Stainless steel futures surged on Friday as expectations of substantial supply reduction grew after several small and medium-sized mills in China announced maintenance plans.

There are market talks saying that Indonesia may relax exports of nickel minerals and investors remain cautious about fluctuation in nickel prices.

LME Inventory as on (18/06/2020)

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	251550	-1450	133206	-11782	10800	49.13
Aluminium	1618214	-4675	278179	-18126	-4225	10.57
Zinc	74400	-200	103050	-4395	-125	-2.25
Lead	73476	-300	19313	10691	-300	36.24
Nickel	235521	-24	25999	538	-24	16.12

Base Metal Outlook

Base metals are trading higher today. We expect prices to trade sideways to positive after China agreed to purchase goods from US after talks with US secretary inline with the phase I trade deal. The overall optimism about the global economic recovery with stimulus policies will support prices of the red metal in the short run.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
15-Jun					
7:30am	CNY	Fixed Asset Investment ytd/y	-6.30%	-6.00%	-10.30%
	CNY	Industrial Production y/y	4.40%	5.00%	3.90%
	CNY	Retail Sales y/y	-2.80%	-2.30%	-7.50%
7:32am	CNY	Unemployment Rate	5.90%	5.90%	6.00%
2:30pm	EUR	Trade Balance	1.2B	20.3B	23.5B
6:00pm	USD	Empire State Manufacturing Index	-0.2	-30	-48.5
8:30pm	USD	FOMC Member Kaplan Speaks			
16-Jun					
15th-18th	CNY	Foreign Direct Investment ytd/y			-6.10%
11:30am	EUR	German Final CPI m/m	-0.10%	-0.10%	-0.10%
	EUR	German WPI m/m	-0.60%		-1.40%
2:30pm	EUR	ZEW Economic Sentiment	58.6	53.4	46
	EUR	German ZEW Economic Sentiment	63.4	60	51
6:00pm	USD	Core Retail Sales m/m	12.40%	5.50%	-17.20%
	USD	Retail Sales m/m	17.70%	7.40%	-16.40%
6:45pm	USD	Capacity Utilization Rate	64.80%	66.80%	64.90%
	USD	Industrial Production m/m	1.40%	3.00%	-11.20%
7:30pm	USD	Fed Chair Powell Testifies			
	USD	Business Inventories m/m	-1.30%	-0.80%	-0.20%
	USD	NAHB Housing Market Index	58	43	37
17-Jun					
11:30am	GBP	CPI y/y	0.50%	0.50%	0.80%
	GBP	Core CPI y/y	1.20%	1.30%	1.40%
2:30pm	EUR	Final CPI y/y	0.10%	0.10%	0.10%
	EUR	Final Core CPI y/y	0.90%	0.90%	0.90%
6:00pm	USD	Building Permits	1.22M	1.23M	1.07M
	USD	Housing Starts	0.97M	1.10M	0.89M
8:00pm	USD	Crude Oil Inventories	1.2M	0.0M	5.7M
9:30pm	USD	Fed Chair Powell Testifies			
1:30am	USD	FOMC Member Mester Speaks			
18-Jun					
4:30pm	GBP	Asset Purchase Facility	745B	745B	645B
	GBP	Official Bank Rate	0.10%	0.10%	0.10%
6:00pm	USD	Philly Fed Manufacturing Index	27.5	-25	-43.1
	USD	Unemployment Claims	1508K	1300K	1542K
8:00pm	USD	Natural Gas Storage	85B	83B	93B
9:45pm	USD	FOMC Member Mester Speaks			
19-Jun					
11:30am	EUR	German PPI m/m	-0.40%	-0.30%	-0.70%
	GBP	Retail Sales m/m	12%	6.30%	-18.10%
1:30pm	EUR	Current Account			27.4B
6:00pm	USD	Current Account		-101B	-110B
9:30pm	USD	FOMC Member Quarles Speaks			
10:30pm	USD	Fed Chair Powell Speaks			

19th June 2020

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