

Base Metals

	Previous	CMP	% Change
Comex Copper	2.9215	2.87	-1.76
LME Copper	6508.5	6376	-2.04
LME Aluminium	1707	1692.75	-0.83
LME Zinc	2237.25	2194	-1.93
LME Lead	1829.25	1818.5	-0.59
LME Nickel	13685	13387.5	-2.17
MCX Copper	512.6	506.7	-1.15
MCX Aluminium	137.8	136.9	-0.65
MCX Zinc	176.4	173.9	-1.42
MCX Lead	146.9	146.35	-0.37
MCX Nickel	1026.6	1006.7	-1.94

Base Metal Related News

Base Metal prices fell as tensions escalated between the United States and China, the world's two biggest economies, with an unexpected rise in U.S. unemployment also denting sentiment.

China's June aluminium imports surged by more than 490% from a year earlier, to their highest in 11 years, as traders, who rarely buy large amounts from overseas, took advantage of the lower prices abroad.

Tesla Inc boss Elon Musk urged miners to produce more nickel, a key ingredient in the batteries that power the company's electric cars, warning the current cost of batteries remained a big hurdle to the company's growth

ShFE nickel jumped 3.3% to 108,800 yuan a tonne, while LME nickel eased 0.2% to \$13,665 a tonne, following a 4.2% jump in the previous session after Tesla's boss Elon Musk urged miners to produce more nickel.

U.S. data showed unemployment rose unexpectedly, suggesting that the labour market was stalling amid the recent resurgence in COVID-19 cases.

LME cash and three-month copper rose to \$23-a-tonne premium, a level unseen since March 2019, due to falling copper stocks.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	143800	-1250	105046	-9998	80400	55.91
Aluminium	1640425	-7800	253432	-14988	271975	16.58
Zinc	150050	16600	98502	909	20925	13.95
Lead	97575	10650	22930	338	15425	15.81
Nickel	235146	-36	27121	626	57042	24.26

Base Metal Outlook

Base metals are trading lower today. We expect prices to trade sideways to positive amid concerns about mounting US-China tensions after the US ordered China to close its consulate in Houston. During the evening session, the focus may continue to be US and European economic data and development relating to virus outbreak.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
20-Jul					
11:30am	EUR	German PPI m/m	0.00%	0.20%	-0.40%
Day 4	EUR	EU Economic Summit			
Tentative	EUR	German Buba Monthly Report			
21-Jul					
5:00am	JPY	National Core CPI y/y	0.00%	-0.10%	-0.20%
11:30am	GBP	Public Sector Net Borrowing	34.8B	39.9B	54.5B
6:30pm	CNY	CB Leading Index m/m	0.80%		0.30%
22-Jul					
6:00am	JPY	Flash Manufacturing PMI	42.6		40.1
6:30pm	USD	HPI m/m	-0.30%	0.30%	0.20%
7:30pm	USD	Existing Home Sales	4.7M	4.80M	3.91M
8:00pm	USD	Crude Oil Inventories	4.9M	-2.1M	-7.5M
23-Jul					
All Day	JPY	Bank Holiday			
6:00pm	USD	Unemployment Claims	1416K	1280K	1300K
7:30pm	EUR	Consumer Confidence	-15	-12	-15
	USD	CB Leading Index m/m	2.00%	2.10%	2.80%
8:00pm	USD	Natural Gas Storage	37B	37B	45B
24-Jul					
All Day	JPY	Bank Holiday			
11:30am	GBP	Retail Sales m/m	13.90%	8.00%	12.00%
12:45pm	EUR	French Flash Services PMI	57.8	52.3	50.7
	EUR	French Flash Manufacturing PMI	52	53.2	52.3
1:00pm	EUR	German Flash Manufacturing PMI	50	48	45.2
	EUR	German Flash Services PMI	56.7	50.2	47.3
1:30pm	EUR	Flash Manufacturing PMI	51.1	49.6	47.4
	EUR	Flash Services PMI	55.1	51	48.3
2:00pm	GBP	Flash Manufacturing PMI	53.6	52	50.1
	GBP	Flash Services PMI	56.6	51.1	47.1
6:30pm	EUR	Belgian NBB Business Climate		-15	-22.9
7:15pm	USD	Flash Manufacturing PMI		52	49.8
	USD	Flash Services PMI		51	47.9
7:30pm	USD	New Home Sales		700K	676K

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Narnolia Financial Advisors Ltd | Market Strategy Desk

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NIL

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