

Base Metals

	Previous	CMP	% Change
Comex Copper	2.912	2.922	0.34
LME Copper	6467.75	6478.5	0.17
LME Aluminium	1726.25	1726.75	0.03
LME Zinc	2266	2287.5	0.95
LME Lead	1861	1866.25	0.28
LME Nickel	13695	13772.5	0.57
MCX Copper	508.45	510	0.30
MCX Aluminium	141.2	141.4	0.14
MCX Zinc	179.4	180.7	0.72
MCX Lead	148.5	148.95	0.30
MCX Nickel	1034.1	1039	0.47

Base Metal Related News

Base Metal prices steadied, reversing losses at the opening bell and holding onto overnight gains, as investors await the US Federal Reserve's interest rate decision.

The US central bank is expected to keep interest rate unchanged at near zero to support the economy. On Tuesday, the Fed announced it would extend its emergency lending programs through the remainder of 2020.

US consumer confidence dropped to a reading of 92.6 this month from 98.3 in June amid a flare-up in Covid-19 infections across the country.

Copper prices rose on Tuesday as stockpiles in London Metal Exchange warehouses dwindled and positive industrial data and government stimulus pointed to rising demand.

Zinc, nickel and aluminum edged up as investors awaited news from the Fed at the end of its two-day meeting on Wednesday, hoping for interest rates to stay lower for longer.

The dollar hovered just above a two-year low, amid growing worries about the U.S. economy. A weaker greenback makes dollar-denominated metals cheaper for holders of other currencies and can lift prices.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	131900	-2125	105046	-9998	89175	67.61
Aluminium	1648775	-9400	253432	-14988	274150	16.63
Zinc	187475	14475	98502	909	18250	9.73
Lead	117600	0	22930	338	15425	13.12
Nickel	235164	312	27121	626	56382	23.98

Base Metal Outlook

Base metals are trading higher today. We expect prices to trade sideways to positive on hopes for another US stimulus package as the current unemployment benefits expire on Friday and ahead of US Fed policy meeting outcome where interest rates are expected to remain lower for longer.

29th July 2020

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
27-Jul					
1:30pm	EUR	M3 Money Supply y/y	9.20%	9.50%	8.90%
	EUR	Private Loans y/y	3.00%	3.20%	3.00%
	EUR	German ifo Business Climate	90.5	89.2	86.2
3:30pm	EUR	German Buba Monthly Report			
6:00pm	USD	Core Durable Goods Orders m/m	3.30%	3.50%	3.70%
	USD	Durable Goods Orders m/m	7.30%	7.00%	15.70%
28-Jul					
6:30pm	USD	S&P/CS Composite-20 HPI y/y	3.70%		4.00%
7:30pm	USD	CB Consumer Confidence	92.6	94	98.1
	USD	Richmond Manufacturing Index	10	5	0
29-Jul					
6:00pm	USD	Goods Trade Balance		-75.5B	-74.3B
	USD	Prelim Wholesale Inventories m/m			-1.20%
7:30pm	USD	Pending Home Sales m/m		15.60%	44.30%
11:30pm	USD	FOMC Statement			
	USD	Federal Funds Rate		<0.25%	<0.25%
12:00am	USD	FOMC Press Conference			
30-Jul					
1:30pm	EUR	German Prelim GDP q/q		-9.00%	-2.20%
	EUR	ECB Economic Bulletin			
2:30pm	EUR	Unemployment Rate		7.70%	7.40%
6:00pm	USD	Advance GDP q/q		-35.00%	-5.00%
	USD	Advance GDP Price Index q/q		0.10%	1.40%
	USD	Unemployment Claims		1450K	1416K
8:00pm	USD	Natural Gas Storage			37B
31-Jul					
5:20am	JPY	Prelim Industrial Production m/m		0.90%	-8.90%
6:30am	CNY	Manufacturing PMI		50.8	50.9
	CNY	Non-Manufacturing PMI		54.5	54.4
10:30am	JPY	Consumer Confidence			28.4
	JPY	Housing Starts y/y		-12.60%	-12.30%
11:00am	EUR	French Flash GDP q/q		-15.20%	-5.30%
11:30am	EUR	German Retail Sales m/m		-3.00%	13.90%
12:30pm	EUR	Spanish Flash GDP q/q		-16.00%	-5.20%
1:30pm	EUR	Italian Prelim GDP q/q		-15.00%	-5.30%
2:30pm	EUR	CPI Flash Estimate y/y		0.30%	0.30%
	EUR	Core CPI Flash Estimate y/y		0.80%	0.80%
	EUR	Prelim Flash GDP q/q		-12.00%	-3.60%
6:00pm	USD	Core PCE Price Index m/m		0.20%	0.10%
	USD	Personal Spending m/m		5.30%	8.20%
	USD	Personal Income m/m		-0.80%	-4.20%
7:15pm	USD	Chicago PMI		44.5	36.6
7:30pm	USD	Revised UoM Consumer Sentiment		72.7	73.2
	USD	Revised UoM Inflation Expectations			3.10%

29th July 2020

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