

## Base Metals

	Previous	CMP	% Change
Comex Copper	2.919	2.924	0.17
LME Copper	6452.75	6485.5	0.51
LME Aluminium	1724.25	1727.75	0.20
LME Zinc	2293.25	2304.25	0.48
LME Lead	1868.25	1876.5	0.44
LME Nickel	13795	13870	0.54
MCX Copper	507.5	508.6	0.22
MCX Aluminium	141.5	141.85	0.25
MCX Zinc	182.4	184.3	1.04
MCX Lead	149.25	149.95	0.47
MCX Nickel	1043	1048	0.48

## Base Metal Related News

Base metals cruised higher for the most part on Friday morning, after China said its factory activity expanded in July for the fifth month in a row and at a faster pace.

The official manufacturing purchasing managers' index (PMI) rose to 51.1 in July from June's 50.9, official data showed on Friday, marking the highest reading since March. Analysts had expected it to slow to 50.7.

The US economy saw the biggest quarterly plunge in history. GDP from April to June plunged 32.9% on an annualised basis

The US dollar index against a basket of currencies was down 0.35% at 92.94 after US President Donald Trump raised the possibility of delaying the nation's November presidential election.

Brazilian miner Vale is expecting copper prices to remain at high levels through the remainder of 2020, because it sees strong signs of demand resilience amid expectations of reduced supply.

Nickel is expected to go into shortage in the coming years because current market prices are below the incentive levels to spur the development of new projects, according to Canadian producer Sherritt International.

## LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Change		Change			
Copper	128125	-1100	160476	1829	82775	64.60
Aluminium	1637425	-5700	267741	-679	263700	16.10
Zinc	188050	-125	88347	-841	17475	9.29
Lead	117575	-25	20094	-2498	15450	13.14
Nickel	235242	456	28008	1513	55902	23.76

## Base Metal Outlook

Base metals are trading higher today. We expect prices to trade sideways to positive ahead of the announcement on coronavirus relief bill. The lower production among metals are supporting the metal prices while build up in inventories are resisting prices at higher levels.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
<b>27-Jul</b>					
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%
<b>28-Jul</b>					
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
<b>29-Jul</b>					
6:00pm	USD	Goods Trade Balance	-70.6B	-75.5B	-74.3B
7:30pm	USD	Pending Home Sales m/m	16.60%	15.60%	44.30%
11:30pm	USD	FOMC Statement			
	USD	Federal Funds Rate	<0.25%	<0.25%	<0.25%
12:00am	USD	FOMC Press Conference			
<b>30-Jul</b>					
1:30pm	EUR	German Prelim GDP q/q	-10.10%	-9.00%	-2.20%
	EUR	ECB Economic Bulletin			
2:30pm	EUR	Unemployment Rate	7.80%	7.70%	7.40%
6:00pm	USD	Advance GDP q/q	-32.90%	-35.00%	-5.00%
	USD	Advance GDP Price Index q/q	-1.80%	0.10%	1.40%
	USD	Unemployment Claims	1434K	1450K	1416K
8:00pm	USD	Natural Gas Storage	26B	25B	37B
<b>31-Jul</b>					
5:20am	JPY	Prelim Industrial Production m/m	2.70%	0.90%	-8.90%
6:30am	CNY	Manufacturing PMI	51.1	50.8	50.9
	CNY	Non-Manufacturing PMI	54.2	54.5	54.4
10:30am	JPY	Consumer Confidence	29.5		28.4
	JPY	Housing Starts y/y	-12.80%	-12.60%	-12.30%
11:00am	EUR	French Flash GDP q/q	-13.80%	-15.20%	-5.30%
11:30am	EUR	German Retail Sales m/m	-1.60%	-3.00%	13.90%
12:30pm	EUR	Spanish Flash GDP q/q	-18.50%	-16.00%	-5.20%
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%
3:30pm	EUR	Italian Retail Sales m/m			24.30%
6:00pm	USD	Core PCE Price Index m/m		0.20%	0.10%
	USD	Personal Spending m/m		5.30%	8.20%
	USD	Employment Cost Index q/q		0.60%	0.80%
	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%

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Narnolia Financial Advisors Ltd | Market Strategy Desk

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Correspondence Office Address: Arch Waterfront, 5<sup>th</sup> Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; [www.narnolia.com](http://www.narnolia.com).

Registered Office Address: Marble Arch, Office 201, 2<sup>nd</sup> Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; [www.narnolia.com](http://www.narnolia.com)

Compliance Officer: Manish Kr Agarwal, Email Id: [mkagarwal@narnolia.com](mailto:mkagarwal@narnolia.com), Contact No.:033-40541700.

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