

Base Metals

	Previous	CMP	% Change
Comex Copper	2.915	2.904	-0.38
LME Copper	6477.5	6463.5	-0.22
LME Aluminium	1745.25	1747.75	0.14
LME Zinc	2308.5	2321.5	0.56
LME Lead	1869.25	1849.25	-1.07
LME Nickel	13955	13967	0.09
MCX Copper	510.1	508.35	-0.34
MCX Aluminium	144.4	144.4	0.00
MCX Zinc	184.5	184.9	0.22
MCX Lead	149.8	149.1	-0.47
MCX Nickel	1061.9	1059.9	-0.19

Base Metal Related News

London copper eased on Tuesday, having moved in a narrow range for weeks, as investors weighed between bullish and bearish factors following a strong rally in the past few months.

Zinc concentrate treatment charges (TCs) rose for the second consecutive month in July after hitting a 19-month low in May, with spot availability increasing slightly.

Meanwhile, Glencore said its zinc production had risen by 3% in the first six months of 2020 in part due to higher grades at Matagami.

The US dollar was up against a basket of currencies on Monday as investors unwound some recent short positions following the currency's weakest monthly performance in a decade.

The Caixin/Markit manufacturing Purchasing Managers' Index (PMI) for China came in at 52.8 for July, the highest level since February 2011.

The Yangshan copper premium in China has declined to \$83.50 a tonne, its lowest since June 15 and down from \$99 two weeks ago

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME Stocks
Copper	117625	-5250	160476	1829	77050	65.50
Aluminium	1634525	-1450	267741	-679	267475	16.36
Zinc	187900	-75	88347	-841	17175	9.14
Lead	118725	575	20094	-2498	15300	12.89
Nickel	235290	24	28008	1513	55902	23.76

Base Metal Outlook

Base metals are trading mixed today. We expect prices to trade sideways to positive after the manufacturing activity in China expanded at its fastest pace in nearly a decade while factories in the euro zone showed their first growth since early 2019. The lower production among metals are supporting the metal prices while build up in inventories are resisting prices at higher levels.

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Important Events For The Week					
	Cur		Actual	Forecast	Previous
03-Aug					
5:20am	JPY	Prelim GDP q/q	-0.60%	-0.70%	-0.60%
6:00am	JPY	Final Manufacturing PMI	45.2	42.6	42.6
7:15am	CNY	Caixin Manufacturing PMI	52.8	51.1	51.2
12:45pm	EUR	Spanish Manufacturing PMI	53.5	52.6	49
1:15pm	EUR	Italian Manufacturing PMI	51.9	51.3	47.5
1:20pm	EUR	French Final Manufacturing PMI	52.4	52	52
1:25pm	EUR	German Final Manufacturing PMI	51	50	50
1:30pm	EUR	Final Manufacturing PMI	51.8	51.1	51.1
2:00pm	GBP	Final Manufacturing PMI	53.3	53.6	53.6
7:15pm	USD	Final Manufacturing PMI	50.9	51.3	51.3
7:30pm	USD	ISM Manufacturing PMI	54.2	53.6	52.6
	USD	Construction Spending m/m	-0.70%	1.00%	-2.10%
	USD	ISM Manufacturing Prices	53.2	52.2	51.3
04-Aug					
2:30pm	EUR	PPI m/m		0.60%	-0.60%
7:30pm	USD	Factory Orders m/m		5.10%	8.00%
	USD	IBD/TIPP Economic Optimism		45.3	44
05-Aug					
7:15am	CNY	Caixin Services PMI		58	58.4
1:25pm	EUR	German Final Services PMI		56.7	56.7
1:30pm	EUR	Final Services PMI		55.1	55.1
2:00pm	GBP	Final Services PMI		56.6	56.6
2:30pm	EUR	Retail Sales m/m		6.50%	17.80%
5:45pm	USD	ADP Non-Farm Employment Change		1200K	2369K
6:00pm	USD	Trade Balance		-50.3B	-54.6B
7:15pm	USD	Final Services PMI		49.6	49.6
7:30pm	USD	ISM Non-Manufacturing PMI		55	57.1
8:00pm	USD	Crude Oil Inventories			-10.6M
2:30am	USD	FOMC Member Mester Speaks			
06-Aug					
11:30am	EUR	German Factory Orders m/m		11.00%	10.40%
Tentative	GBP	FPC Statement			
	GBP	Official Bank Rate		0.10%	0.10%
	GBP	Asset Purchase Facility		745B	745B
6:00pm	USD	Unemployment Claims		1450K	1434K
7:30pm	USD	FOMC Member Kaplan Speaks			
8:00pm	USD	Natural Gas Storage			26B
07-Aug					
Tentative	CNY	Trade Balance			329B
Tentative	CNY	USD-Denominated Trade Balance		42.5B	46.4B
11:30am	EUR	German Industrial Production m/m		8.30%	7.80%
	EUR	German Trade Balance		10.3B	7.6B
6:00pm	USD	Average Hourly Earnings m/m		-0.50%	-1.20%
	USD	Non-Farm Employment Change		1510K	4800K

4th August 2020

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