

Base Metals

	Previous	CMP	% Change
Comex Copper	2.868	2.861	-0.24
LME Copper	6378	6372	-0.09
LME Aluminium	1709	1711.75	0.16
LME Zinc	2315.25	2287	-1.22
LME Lead	1865.5	1873.75	0.44
LME Nickel	13762.5	13677.5	-0.62
MCX Copper	500.75	500.4	-0.07
MCX Aluminium	140.9	140.85	-0.04
MCX Zinc	184	182.75	-0.68
MCX Lead	149.2	149.35	0.10
MCX Nickel	1041.9	1037.5	-0.42

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.

Chuquicamata, located in northern Chile, produced 180,000 tonnes of copper content in the first half of 2020, up by 8.4% from 166,000 tonnes.

The US dollar index slid as low as 92.54 in early trading on July 31, a level last seen in May 2018, before rebounding to close at 93.45.

Economic data slated for release today include final July manufacturing PMI in Germany and eurozone, final Markit manufacturing PMI and ISM manufacturing PMI for July and US construction spending in June.

Consumer sentiment in the US deteriorated by more than initially estimated in the month of July, according to a report released by the University of Michigan.

US real gross domestic product plummeted at an annual rate of 32.9% in the second quarter reflecting the impact of the coronavirus pandemic and following a 5% slump in the first quarter

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME Stocks
Copper	122875	-5250	160476	1829	80825	65.78
Aluminium	1635975	-1450	267741	-679	265175	16.21
Zinc	187975	-75	88347	-841	17600	9.36
Lead	118150	575	20094	-2498	15300	12.95
Nickel	235266	24	28008	1513	55902	23.76

Base Metal Outlook

Base metals are trading mixed today. We expect prices to trade sideways to negative after the weak GDP releases by US and weak consumer sentiment. 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		53.6	53.6
7:15pm	USD	Final Manufacturing PMI		51.3	51.3
7:30pm	USD	ISM Manufacturing PMI		53.6	52.6
	USD	Construction Spending m/m		1.00%	-2.10%
	USD	ISM Manufacturing Prices		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

3rd August 2020

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