

Base Metals

	Previous	CMP	% Change
Comex Copper	2.999	2.942	-1.90
LME Copper	6613.25	6539	-1.12
LME Aluminium	1783.75	1777.5	-0.35
LME Zinc	2481.75	2473.5	-0.33
LME Lead	1985	1992.5	0.38
LME Nickel	14625	14662.5	0.26
MCX Copper	529.05	524.4	-0.88
MCX Aluminium	146.35	146.25	-0.07
MCX Zinc	197.15	196.7	-0.23
MCX Lead	156.05	156.7	0.42
MCX Nickel	1103.4	1106.8	0.31

Base Metal Related News

Base metals as higher US jobless claims drove up concerns on a slow economic recovery.

The number of Americans filing unemployment claims unexpectedly topped one million again in the week ended August 15.

In the spot market, high copper prices still curbed downstream demand, but spot premiums are likely to fall as more cargoes will flow into the market after deliveries of long-term contracts.

Copper-rich Peru's economy contracted by 30.2% between April and June, second consecutive quarter in the red and taking it into recession.

Aluminium prices were under pressure from rising output in China and elsewhere, with weak demand outside the world.

Global primary aluminium output rose to 5.452 million tonnes in July, from revised 5.295 million tonnes in June, IAI showed.

A surplus in the global lead market fell to 16,300 tonnes in June, from 45,300 tonnes in May. The global zinc market surplus narrowed to 2,000 tonnes in June, from 19,000 tonnes in May, ILZSG data showed.

LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Change		Change			
Copper	106000	-950	173418	12942	50174	47.33
Aluminium	1573900	-4100	274828	7087	208525	13.25
Zinc	220250	575	84499	-3848	11100	5.04
Lead	124725	0	19378	-716	12350	9.90
Nickel	240384	-354	28554	546	59472	24.74

Base Metal Outlook

Base metals are trading mixed today. We expect prices to trade negative as dollar rebounds after the minutes from the US FOMC as the coronavirus crisis would weigh heavily on economic activity, employment, and inflation in the near term and was posing considerable risks to the economic outlook over the medium term.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
17-Aug					
5:20am	JPY	Prelim GDP Price Index y/y	1.50%	1.90%	0.90%
5:20am	JPY	Prelim GDP q/q	-7.80%	-7.50%	-0.60%
6:00pm	USD	Empire State Manufacturing Index	3.7	14.6	17.2
7:30pm	USD	NAHB Housing Market Index	78	74	72
18-Aug					
6:00pm	USD	Building Permits	1.5M	1.33M	1.26M
	USD	Housing Starts	1.50M	1.23M	1.19M
19-Aug					
2:30pm	EUR	Final CPI y/y	0.40%	0.40%	0.30%
	EUR	Final Core CPI y/y	1.20%	1.20%	1.20%
All Day	All	OPEC-JMMC Meetings			
8:00pm	USD	Crude Oil Inventories	-1.6M	-2.9M	-4.5M
11:30pm	USD	FOMC Meeting Minutes			
20-Aug					
6:00pm	USD	Philly Fed Manufacturing Index	17.2	21	24.1
	USD	Unemployment Claims	1106K	990K	963K
7:30pm	USD	CB Leading Index m/m	1.40%	1.00%	2.00%
8:00pm	USD	Natural Gas Storage	43B	43B	58B
21-Aug					
6:00am	JPY	Flash Manufacturing PMI	46.6	45	45.2
11.30pm	GBP	Retail Sales m/m	3.60%	2.00%	13.90%
12:45pm	EUR	French Flash Services PMI	51.9	56.3	57.3
	EUR	French Flash Manufacturing PMI	49	53	52.4
1:00pm	EUR	German Flash Manufacturing PMI	53	52.2	51
	EUR	German Flash Services PMI	50.8	55.3	55.6
1:30pm	EUR	Flash Manufacturing PMI	51.7	52.7	51.8
	EUR	Flash Services PMI	50.1	54.6	54.7
2:00pm	GBP	Flash Manufacturing PMI	55.3	54	53.3
	GBP	Flash Services PMI	60.1	57	56.5
7:15pm	USD	Flash Manufacturing PMI		51.6	50.9
	USD	Flash Services PMI		50.7	50
7:30pm	EUR	Consumer Confidence		-15	-15
	USD	Existing Home Sales		5.40M	4.72M

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Narnolia Financial Advisors Ltd | Market Strategy Desk

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NIL

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