

Base Metals

	Previous	CMP	% Change
Comex Copper	2.999	2.955	-1.47
LME Copper	6687.25	6567.25	-1.79
LME Aluminium	1792	1787	-0.28
LME Zinc	2495	2475	-0.80
LME Lead	2003.5	1968.5	-1.75
LME Nickel	14640	14642	0.01
MCX Copper	533.85	526.25	-1.42
MCX Aluminium	146.55	146.4	-0.10
MCX Zinc	197.65	195.8	-0.94
MCX Lead	156.4	155.4	-0.64
MCX Nickel	1106	1106	0.00

Base Metal Related News

Base metals are consolidating after the recent show of strength, production disruptions and restocking by China are underpinning the upward trends.

China is widely expected to keep its benchmark lending rate steady for the fourth month in a row at its August fixing on Thursday as the economy continues to recover from the coronavirus crisis, a Reuters survey showed.

The rebound in dollar was triggered after the Federal Reserve's minutes did not hint at being more dovish in the coming months, which triggered short-covering.

Economic data already out on Thursday showed Germany's producer price index climbed by 0.2% month on month in July, up from being flat in June.

Australia-based copper miner MMG Ltd said on Wednesday its half-yearly loss nearly doubled, while Australian miner South32 Ltd reported an 80.5% slump in full-year underlying profit.

Asian equities were set to follow Wall Street's late session retreat after the Federal Reserve warned the U.S. economy faced a highly uncertain path to recovery from the coronavirus-induced downturn.

LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Change		Change			
Copper	106950	-1800	173418	12942	52199	48.81
Aluminium	1578000	-6800	274828	7087	212625	13.47
Zinc	219675	-675	84499	-3848	11100	5.05
Lead	124725	3100	19378	-716	18525	14.85
Nickel	240738	720	28554	546	57810	24.01

Base Metal Outlook

Base metals are trading lower 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		21	24.1
	USD	Unemployment Claims		990K	963K
7:30pm	USD	CB Leading Index m/m		1.00%	2.00%
8:00pm	USD	Natural Gas Storage		43B	58B
21-Aug					
6:00am	JPY	Flash Manufacturing PMI		45	45.2
	GBP	Retail Sales m/m		2.00%	13.90%
12:45pm	EUR	French Flash Services PMI		56.3	57.3
	EUR	French Flash Manufacturing PMI		53	52.4
1:00pm	EUR	German Flash Manufacturing PMI		52.2	51
	EUR	German Flash Services PMI		55.3	55.6
1:30pm	EUR	Flash Manufacturing PMI		52.7	51.8
	EUR	Flash Services PMI		54.6	54.7
2:00pm	GBP	Flash Manufacturing PMI		54	53.3
	GBP	Flash Services PMI		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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