

Base Metals

	Previous	CMP	% Change
Comex Copper	2.973	2.999	0.87
LME Copper	6596.5	6647.5	0.77
LME Aluminium	1773.25	1782.25	0.51
LME Zinc	2474	2485	0.44
LME Lead	1994.25	2022.5	1.42
LME Nickel	14732.5	14717.5	-0.10
MCX Copper	525.3	531	1.09
MCX Aluminium	145.65	146.6	0.65
MCX Zinc	193.9	195.65	0.90
MCX Lead	155.95	157.9	1.25
MCX Nickel	1107.6	1112.6	0.45

Base Metal Related News

Base metals rose after positive US housing starts and building permits data supported complex-wide buying into the afternoon

Copper prices jumped as the US dollar index fell for five straight days to record a new two-year low of 92.12 on Tuesday amid the ongoing effects of the Federal Reserve's stimulus programs, and as China's central bank injected liquidity into the market.

The US dollar index fell to its lowest in more than two years on Tuesday as the ongoing effects of the Federal Reserve's stimulus programs weakened the greenback broadly for the fifth consecutive day and lifted US stock indexes to record highs.

Premiums of spot copper cathode steadied in Shanghai in the morning of Tuesday August 18 as both demand and supply were weak.

China's refined copper output in July fell 5.3% from the previous month to 814,000 tonnes, official data showed.

Rio Tinto cut its refined copper outlook for fiscal 2020 to 135,000 tonnes to 175,000 tonnes from 165,000 tonnes-205,000 tonnes.

LME Inventory

Commodity	LME Stock		Shanghai Stock		Canceled Warrants	CW as % of LME Stocks
	Change		Change			
Copper	108750	-1300	173418	12942	55224	50.78
Aluminium	1584800	-5550	274828	7087	219425	13.85
Zinc	220350	1650	84499	-3848	12625	5.73
Lead	121625	1900	19378	-716	16900	13.90
Nickel	240018	54	28554	546	55722	23.22

Base Metal Outlook

Base metals are trading higher today. We expect prices to trade positive on weakness in dollar and ahead of expectation of more monetary easing. The lucrative monetary easing from China are helping the upside in base metals. During the week, the US FOMC minutes and global manufacturing releases will be the turnaround for prices.

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		-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			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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