

Base Metals

	Previous	CMP	% Change
Comex Copper	3.022	3.02	-0.07
LME Copper	6682.25	6681.5	-0.01
LME Aluminium	1819.25	1815.25	-0.22
LME Zinc	2552	2555.75	0.15
LME Lead	1975.25	1971.5	0.00
LME Nickel	15532.5	15617.5	0.55
MCX Copper	521.45	521.2	-0.05
MCX Aluminium	146.95	146.9	-0.03
MCX Zinc	197.9	197.95	0.03
MCX Lead	154	154.15	0.10
MCX Nickel	1142.4	1146.9	0.39

Base Metal Related News

Base metals fell as the dollar index returned above 92 as US ISM manufacturing PMI for August recorded a new high since 2019.

Inflation data for the eurozone came in well below expectations, raising speculation that the ECB will have to act sooner rather than later.

The China zinc smelters stepped up production as rising treatment charges lifted profits, and downstream consumption is expected to improve during September-October.

Zinc concentrate treatment charges (TCs) continued its upward trend in August with smelters reluctant to accept lower offers, while lead concentrate TCs fell sharply in response to supply tightness.

Copper prices slipped from a 26-month high as the dollar strengthened and output recovered in the world's second-largest producer of Peru.

A Peruvian government officer said copper mining in the country had almost completely recovered from the impacts of the coronavirus pandemic. Production, which plunged 20.4% in the first half of 2020, fell only 2.2% year-on-year in July.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	84975	-3275	173418	12942	44250	52.07
Aluminium	1545575	-4650	274828	7087	224000	14.49
Zinc	220150	25	84499	-3848	3850	1.75
Lead	123800	-1100	19378	-716	11175	9.03
Nickel	237336	-1386	28554	546	58308	24.57

Base Metal Outlook

Base metals are trading mixed today. We expect prices to trade positive after better than expected economic data and ultra low interest rates in US will stay for longer supported the prices. However, production resumption in copper producing countries will bring pressure on copper prices.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
31-Aug					
6:30am	CNY	Manufacturing PMI	51	51.1	51.1
	CNY	Non-Manufacturing PMI	55.2	54	54.2
All Day	GBP	Bank Holiday			
6:30pm	USD	FOMC Member Clarida Speaks			
01-Sep					
6:00am	JPY	Final Manufacturing PMI	47.2	46.6	46.6
7:15am	CNY	Caixin Manufacturing PMI	53.1	52.6	52.8
1:30pm	EUR	Final Manufacturing PMI	51.7	51.7	51.7
2:00pm	GBP	Final Manufacturing PMI	52.2	55.3	55.3
2:30pm	EUR	CPI Flash Estimate y/y	-0.20%	0.20%	0.40%
	EUR	Core CPI Flash Estimate y/y	0.40%	0.90%	1.20%
7:15pm	USD	Final Manufacturing PMI	53.1	53.6	53.6
7:30pm	USD	ISM Manufacturing PMI	56	54.5	54.2
	USD	ISM Manufacturing Prices	59.5		53.2
All Day	USD	Wards Total Vehicle Sales	15.2M		14.5M
10:30pm	USD	FOMC Member Brainard Speaks			
02-Sep					
11:30am	EUR	German Retail Sales m/m	-0.90%	0.50%	-1.60%
2:30pm	EUR	PPI m/m		0.50%	0.70%
5:45pm	USD	ADP Non-Farm Employment Change		1250K	167K
7:30pm	USD	FOMC Member Williams Speaks			
	USD	Factory Orders m/m		4.00%	6.20%
8:00pm	USD	Crude Oil Inventories			-4.7M
9:30pm	USD	FOMC Member Mester Speaks			
11:30pm	USD	Beige Book			
03-Sep					
7:15am	CNY	Caixin Services PMI		54	54.1
1:15pm	EUR	Italian Services PMI		50	51.6
1:20pm	EUR	French Final Services PMI		51.9	51.9
1:25pm	EUR	German Final Services PMI		50.8	50.8
1:30pm	EUR	Final Services PMI		50.1	50.1
2:30pm	EUR	Retail Sales m/m		1.30%	5.70%
5:00pm	USD	Challenger Job Cuts y/y			576.10%
6:00pm	USD	Unemployment Claims		965K	1006K
	USD	Trade Balance		-52.2B	-50.7B
7:15pm	USD	Final Services PMI		54.8	54.8
	USD	ISM Non-Manufacturing PMI		57.5	58.1
8:00pm	USD	Natural Gas Storage			45B
04-Sep					
11:30am	EUR	German Factory Orders m/m		5.10%	27.90%
6:00pm	USD	Average Hourly Earnings m/m		0.00%	0.20%
	USD	Non-Farm Employment Change		1518K	1763K
	USD	Unemployment Rate		9.80%	10.20%

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