

### Base Metals

	Previous	CMP	% Change
Comex Copper	3.062	3.0545	-0.24
LME Copper	6795.5	6756.25	-0.58
LME Aluminium	1796.5	1790.25	-0.35
LME Zinc	2509.25	2459.25	-1.99
LME Lead	1971.75	1956.25	-0.79
LME Nickel	15205	15185	-0.13
MCX Copper	529.5	527	-0.47
MCX Aluminium	146.35	145.9	-0.31
MCX Zinc	195.25	192.7	-1.31
MCX Lead	154.15	153.4	-0.49
MCX Nickel	1122	1123.2	0.11

### Base Metal Related News

Base metals opened on positive note while the LME complex traded lower for the most part, as investors monitor further tensions between the US and China.

Copper stocks across LME-listed warehouses shrank by 4,900 mt to its lowest in nearly 15 years, and this, combined with mounting tensions between Codelco and unions, underpinned copper prices.

Relatively low inventories and a traditional high season are limiting the decline in aluminium prices in the near term.

Nickel continued its volatile move as strong demand from steelmaking and automotive production prompting steady buying, while ample availability of supply and exchange stocks – has equally seen selling pressure emerge.

LME copper now remains the only metal trading in a backwardation across the cash/three-month spread

Meanwhile, tensions are also escalating between the UK and European Union, putting at risk chances of a post-Brexit trade deal in the coming months.

### LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	76550	-1000	173418	12942	28325	37.00
Aluminium	1529425	-4200	274828	7087	221425	14.48
Zinc	219775	-100	84499	-3848	3750	1.71
Lead	123300	-225	19378	-716	17625	14.29
Nickel	236460	-48	28554	546	58218	24.62

### Base Metal Outlook

Base metals are trading lower today. We expect prices to trade sideways to negative on rising tensions between UK and European Union putting a risk of chances of a Brexit trade deal, US-China trade tensions and stronger dollar making the dollar priced commodities expensive.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
<b>07-Sep</b>					
8:31am	CNY	Trade Balance	417B	385B	442B
8:43am	CNY	USD-Denominated Trade Balance	58.9B	49.8B	62.3B
11:30am	EUR	German Industrial Production m/m	1.20%	4.50%	8.90%
2:00pm	EUR	Sentix Investor Confidence	-8	-11.4	-13.4
All Day	USD	Bank Holiday			
<b>08-Sep</b>					
5:00am	JPY	Final GDP q/q	-7.90%	-8.10%	-7.80%
10:30am	JPY	Economy Watchers Sentiment	43.9	41	41.1
11:30am	EUR	German Trade Balance	18.0B	14.9B	14.5B
3:30pm	USD	NFIB Small Business Index		99	98.8
7:30pm	USD	IBD/TIPP Economic Optimism		47.3	46.8
<b>09-Sep</b>					
7:00am	CNY	CPI y/y		2.40%	2.70%
	CNY	PPI y/y		-1.90%	-2.40%
7:30pm	USD	JOLTS Job Openings		6.05M	5.89M
10:31pm	USD	10-y Bond Auction			0.68   2.4
<b>10-Sep</b>					
10th-15th	CNY	M2 Money Supply y/y		10.70%	10.70%
10th-15th	CNY	New Loans		1250B	993B
5:15pm	EUR	Main Refinancing Rate		0.00%	0.00%
	EUR	Monetary Policy Statement			
6:00pm	EUR	ECB Press Conference			
	USD	Core PPI m/m		0.20%	0.50%
	USD	PPI m/m		0.20%	0.60%
	USD	Unemployment Claims		838K	881K
Tentative	GBP	NIESR GDP Estimate			-7.90%
8:00pm	USD	Natural Gas Storage			35B
8:30pm	USD	Crude Oil Inventories			-9.4M
10:30pm	EUR	ECB President Lagarde Speaks			
<b>11-Sep</b>					
11:30am	EUR	German Final CPI m/m		-0.10%	-0.10%
1:30pm	EUR	German Buba President Weidmann Speaks			
	EUR	Italian Quarterly Unemployment Rate		8.40%	8.90%
2:00pm	GBP	Consumer Inflation Expectations			2.90%
All Day	EUR	Eurogroup Meetings			
6:00pm	USD	CPI m/m		0.30%	0.60%
	USD	Core CPI m/m		0.20%	0.60%
11:30pm	USD	Federal Budget Balance		-245.4B	-63.0B

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Narnolia Financial Advisors Ltd | Market Strategy Desk

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Correspondence Office Address: Arch Waterfront, 5<sup>th</sup> Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; [www.narnolia.com](http://www.narnolia.com).

Registered Office Address: Marble Arch, Office 201, 2<sup>nd</sup> Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; [www.narnolia.com](http://www.narnolia.com)

Compliance Officer: Manish Kr Agarwal, Email Id: [mkagarwal@narnolia.com](mailto:mkagarwal@narnolia.com), Contact No.:033-40541700.

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