

Base Metals

	Previous	CMP	% Change
Comex Copper	3.043	3.052	0.30
LME Copper	6712	6754	0.63
LME Aluminium	1776	1784.25	0.46
LME Zinc	2474	2478	0.16
LME Lead	1891.5	1890.75	-0.04
LME Nickel	15110	15182.5	0.48
MCX Copper	524.1	527.4	0.63
MCX Aluminium	144.75	145.4	0.45
MCX Zinc	192.15	192.6	0.23
MCX Lead	147.25	147.7	0.31
MCX Nickel	1111.7	1117	0.48

Base Metal Related News

Base metals set for a mixed start, as investors await the US Federal Reserve's policy meeting on September 15-16.

An occasional opening of the import arbitrage window for refined zinc has brought thousands of tonnes of spot cargoes into China's domestic market, and demand is expected to recover in the coming months.

Asian shares firmed on renewed hopes for a coronavirus vaccine after AstraZeneca resumed its phase-3 trial though sentiment was still cautious

China's financial data including newly-added social financing and new yuan-denominated loans issued by the central bank last Friday topped market expectations

Copper concentrate treatment and refining charges (TC/RCs) rebounded in the week ending September 11, rising from an all-time low due to the improved spot availability of copper materials.

The placement of two major nickel operations on care and maintenance has removed around 15% of this year's forecast production of nickel used in lithium-ion batteries from the market and demonstrates how tight the market can become, says Ambotvy, Giga Metals

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	74875	-675	173418	12942	38325	51.19
Aluminium	1516500	-4150	274828	7087	260825	17.20
Zinc	219700	0	84499	-3848	5500	2.50
Lead	130650	-575	19378	-716	16800	12.86
Nickel	237000	-138	28554	546	58185	24.55

Base Metal Outlook

Base metals are trading higher today. We expect prices to trade sideways to positive ahead of China's industrial output data and on expectation of vaccine development after one vaccine resumed its third phase trial. However, slowdown in demand for metals poses a risks to the economic recovery. One can maintain buy on dips in Zinc for the day.

Important Events For The Week					
	Cur		Actual	Forecast	Previous
14-Sep					
10:00am	JPY	Revised Industrial Production m/m	-0.50%	8.00%	8.00%
	JPY	Tertiary Industry Activity m/m	8.70%	0.60%	7.90%
2:30pm	EUR	Industrial Production m/m		4.00%	9.10%
15-Sep					
7:30am	CNY	Fixed Asset Investment ytd/y		-0.50%	-1.60%
	CNY	Industrial Production y/y		5.10%	4.80%
	CNY	Retail Sales y/y		0.00%	-1.10%
	CNY	Unemployment Rate		5.60%	5.70%
2:30pm	EUR	ZEW Economic Sentiment		63	64
	EUR	German ZEW Economic Sentiment		70	71.5
6:00pm	USD	Empire State Manufacturing Index		6.2	3.7
6:45pm	USD	Capacity Utilization Rate		71.70%	70.60%
	USD	Industrial Production m/m		1.20%	3.00%
16-Sep					
11:30am	GBP	CPI y/y		0.10%	1.00%
	GBP	Core CPI y/y		0.70%	1.80%
	USD	Retail Sales m/m		1.10%	1.20%
7:30pm	USD	Business Inventories m/m		0.20%	-1.10%
	USD	NAHB Housing Market Index		78	78
8:00pm	USD	Crude Oil Inventories			2.0M
11:30pm	USD	FOMC Economic Projections			
	USD	FOMC Statement			
	USD	Federal Funds Rate		<0.25%	<0.25%
12:00am	USD	FOMC Press Conference			
17-Sep					
Tentative	JPY	Monetary Policy Statement			
Tentative	JPY	BOJ Policy Rate		-0.10%	-0.10%
Tentative	JPY	BOJ Press Conference			
2:30pm	EUR	Final CPI y/y		-0.20%	-0.20%
	EUR	Final Core CPI y/y		0.40%	0.40%
4:30pm	GBP	MPC Official Bank Rate Votes		0-0-9	0-0-9
	GBP	Official Bank Rate		0.10%	0.10%
	GBP	Asset Purchase Facility		745B	745B
6:00pm	USD	Philly Fed Manufacturing Index		15	17.2
	USD	Unemployment Claims		825K	884K
	USD	Building Permits		1.51M	1.50M
	USD	Housing Starts		1.47M	1.50M
8:00pm	USD	Natural Gas Storage			70B
18-Sep					
11:30am	EUR	German PPI m/m		0.00%	0.20%
	GBP	Retail Sales m/m		0.80%	3.60%
6:00pm	USD	Current Account		-158B	-104B
	USD	Prelim UoM Consumer Sentiment		75	74.1
	USD	Prelim UoM Inflation Expectations			3.10%

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Narnolia Financial Advisors Ltd | Market Strategy Desk

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