

Base Metals

	Previous	CMP	% Change
Comex Copper	3.064	3.079	0.49
LME Copper	6781.5	6808	0.39
LME Aluminium	1802.25	1809	0.37
LME Zinc	2481.25	2516	1.40
LME Lead	1923.25	1938.5	0.79
LME Nickel	15267.5	15305	0.25
MCX Copper	529.2	530.95	0.33
MCX Aluminium	146.15	146.75	0.41
MCX Zinc	192.25	194.8	1.33
MCX Lead	149.3	150.2	0.60
MCX Nickel	1121.4	1124.3	0.26

Base Metal Related News

Base metals cruised higher as both industrial production and retail sales of China bettered estimates.

Confidence in Chinese demand was reinforced by Chinese banks extending more new loans in August than expected, while broad credit growth quickened.

Industrial production in China grew by 5.6 per cent in August from a year earlier, with retail sales growing by 0.5 per cent

Retail sales, a vital metric of consumption in the world's biggest market, grew by 0.5 per cent compared to the same month last year, up from minus 1.1 per cent in July and ahead of analysts' expectations of 0.0 per cent growth.

Since early July cash copper has traded at a premium to the three-month contract CMCU0-3. It closed at an 18-month high of \$31.50 a tonne on Friday and was last at \$23.

Stocks of copper in LME-approved warehouses, at 74,875 tonnes, are at their lowest since 2005.

LME Inventory

Commodity	LME Stock	Change	Shanghai Stock	Change	Canceled Warrants	CW as % of LME
						Stocks
Copper	78550	3675	173418	12942	32600	41.50
Aluminium	1513925	-2575	274828	7087	258250	17.06
Zinc	219700	0	84499	-3848	11775	5.36
Lead	130350	-300	19378	-716	16250	12.47
Nickel	237180	180	28554	546	58137	24.51

Base Metal Outlook

Base metals are trading higher today. We expect prices to trade positive after Chinese economy continued its broad based recovery with industry, retail and investment all showing marked improvement in August. 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	4.10%	4.00%	9.10%
15-Sep					
7:30am	CNY	Fixed Asset Investment ytd/y	-0.30%	-0.50%	-1.60%
	CNY	Industrial Production y/y	5.60%	5.10%	4.80%
	CNY	Retail Sales y/y	0.50%	0.00%	-1.10%
	CNY	Unemployment Rate	5.60%	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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