

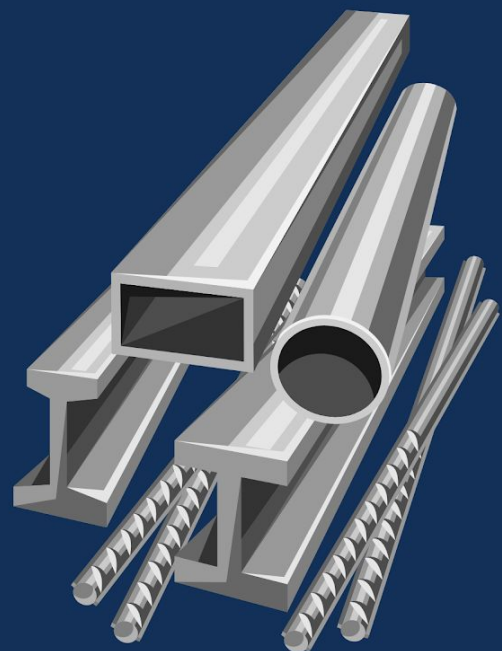


**KEDIA** ADVISORY

# DAILY BASE METALS REPORT

5 Jan 2024

- ALUMINIUM
- COPPER
- LEAD
- ZINC



**Kedia Stocks & Commodities Research Pvt. Ltd.**

Research Advisory | White Labelling | Digital Marketing



## MCX Basemetals Update

Commodity	Expiry	Open	High	Low	Close	% Change
COPPER	31-Jan-24	726.75	730.55	722.25	724.95	-2.65
ZINC	31-Jan-24	227.45	228.30	224.85	225.75	-14.01
ALUMINIUM	31-Jan-24	206.40	207.00	205.10	206.10	-3.50
LEAD	31-Jan-24	182.05	182.30	181.70	182.05	3.65

## Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	31-Jan-24	-0.36	4.62	Fresh Selling
ZINC	31-Jan-24	-1.18	-14.01	Long Liquidation
ALUMINIUM	31-Jan-24	-0.53	-3.50	Long Liquidation
LEAD	31-Jan-24	0.00	3.65	Fresh Selling

## International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	8535.00	8555.00	8427.00	8482.00	-0.41
Lme Zinc	2596.50	2600.00	2530.50	2543.00	-1.64
Lme Aluminium	2305.00	2301.00	2302.00	2312.50	-0.98
Lme Lead	2053.00	2059.00	2041.00	2049.00	0.15
Lme Nickel	16500.00	16500.00	16500.00	16409.00	-1.00

## Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	86.60	Crudeoil / Natural Gas Ratio	25.58
Gold / Crudeoil Ratio	10.38	Crudeoil / Copper Ratio	8.32
Gold / Copper Ratio	86.41	Copper / Zinc Ratio	3.21
Silver / Crudeoil Ratio	11.99	Copper / Lead Ratio	3.98
Silver / Copper Ratio	99.78	Copper / Aluminium Ratio	3.52

## TECHNICAL SNAPSHOT



**BUY ALUMINIUM JAN @ 205 SL 203 TGT 207-209. MCX**

### OBSERVATIONS

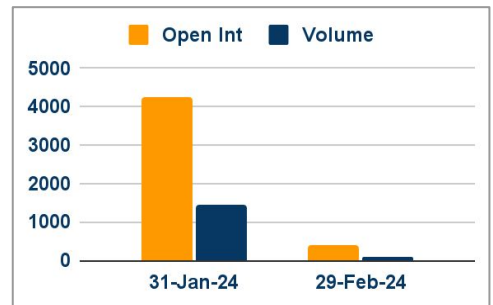
Aluminium trading range for the day is 204.2-208.

Aluminium fell due to production resumptons and expanded delivery warehouses capacity

The outlook of bauxite supply from Guinea is being assessed by the market

Global alumina production in November was 11.858 million tons, a 1.9% decrease from the previous month.

### OI & VOLUME



### SPREAD

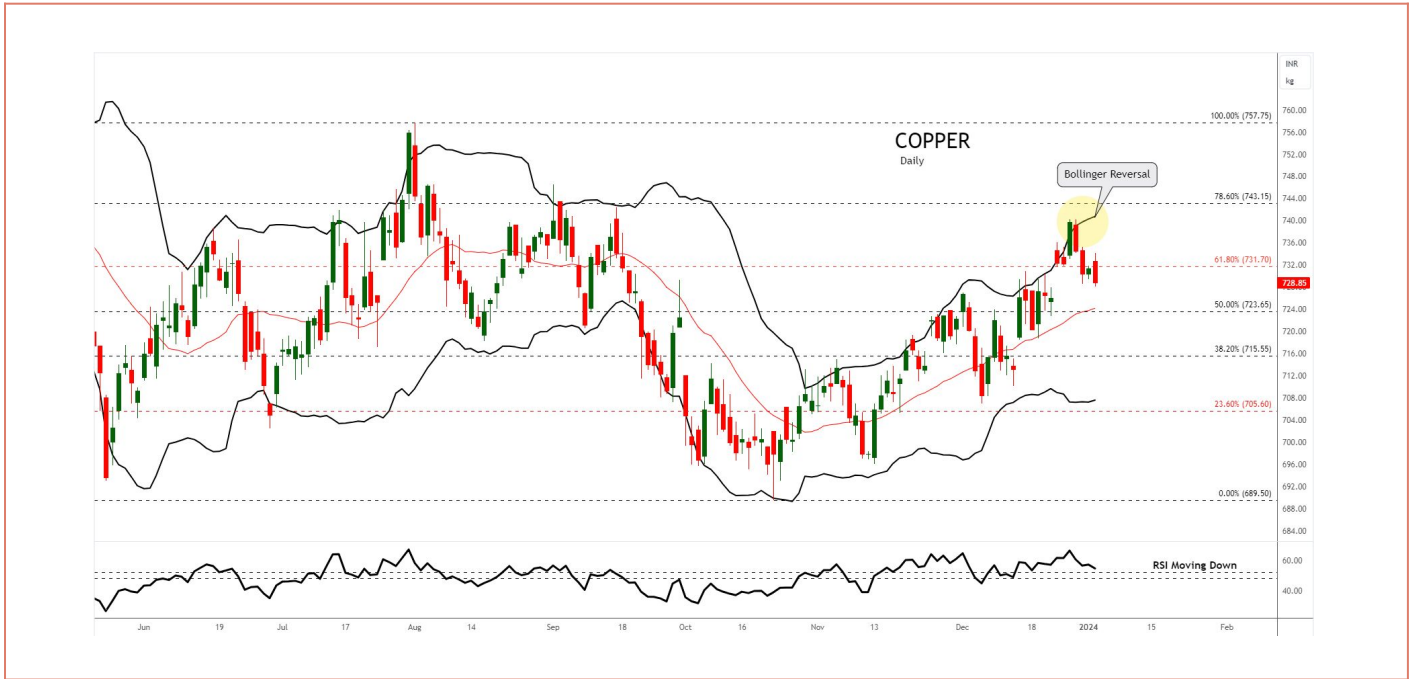
Commodity	Spread
ALUMINIUM FEB-JAN	1.90
ALUMINI FEB-JAN	2.05

### TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	31-Jan-24	206.10	208.00	207.10	206.10	205.20	204.20
ALUMINIUM	29-Feb-24	208.00	209.80	209.00	208.10	207.30	206.40
ALUMINI	31-Jan-24	206.15	208.00	207.10	206.30	205.40	204.60
ALUMINI	29-Feb-24	208.20	209.60	208.90	208.30	207.60	207.00
Lme Aluminium		2312.50	2304.00	2308.00	2305.00	2309.00	2306.00



**TECHNICAL SNAPSHOT**



**BUY COPPER JAN @ 724 SL 720 TGT 728-732. MCX**

**OBSERVATIONS**

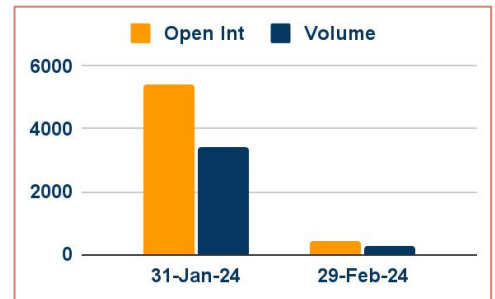
Copper trading range for the day is 717.6-734.2.

Copper dropped amid concerns over China's economy and capital outflows.

Sentiment towards China's economic recovery remains weak.

The Yangshan copper premium, an indicator of import demand, has fallen significantly.

**OI & VOLUME**



**SPREAD**

Commodity	Spread
COPPER FEB-JAN	6.00

**TRADING LEVELS**

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	31-Jan-24	724.95	734.20	729.60	725.90	721.30	717.60
COPPER	29-Feb-24	730.95	739.00	735.00	732.00	728.00	725.00
Lme Copper		8482.00	8616.00	8549.00	8488.00	8421.00	8360.00

TECHNICAL SNAPSHOT



**BUY ZINC JAN @ 224 SL 222 TGT 227-229. MCX**

OBSERVATIONS

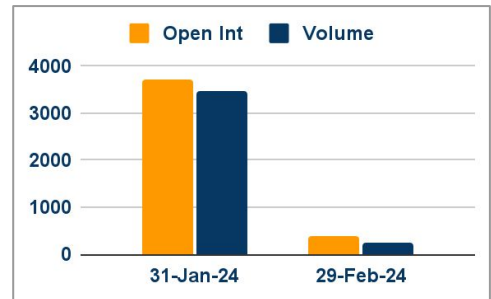
Zinc trading range for the day is 222.8-229.8.

Zinc dropped due to a stronger dollar and uncertainty about US interest rate cuts.

China General Service PMI increased to 52.9 in December 2023 from 51.5 in November

China General Composite PMI rose to 52.6 in December 2023 from 51.6 in the prior month

OI & VOLUME

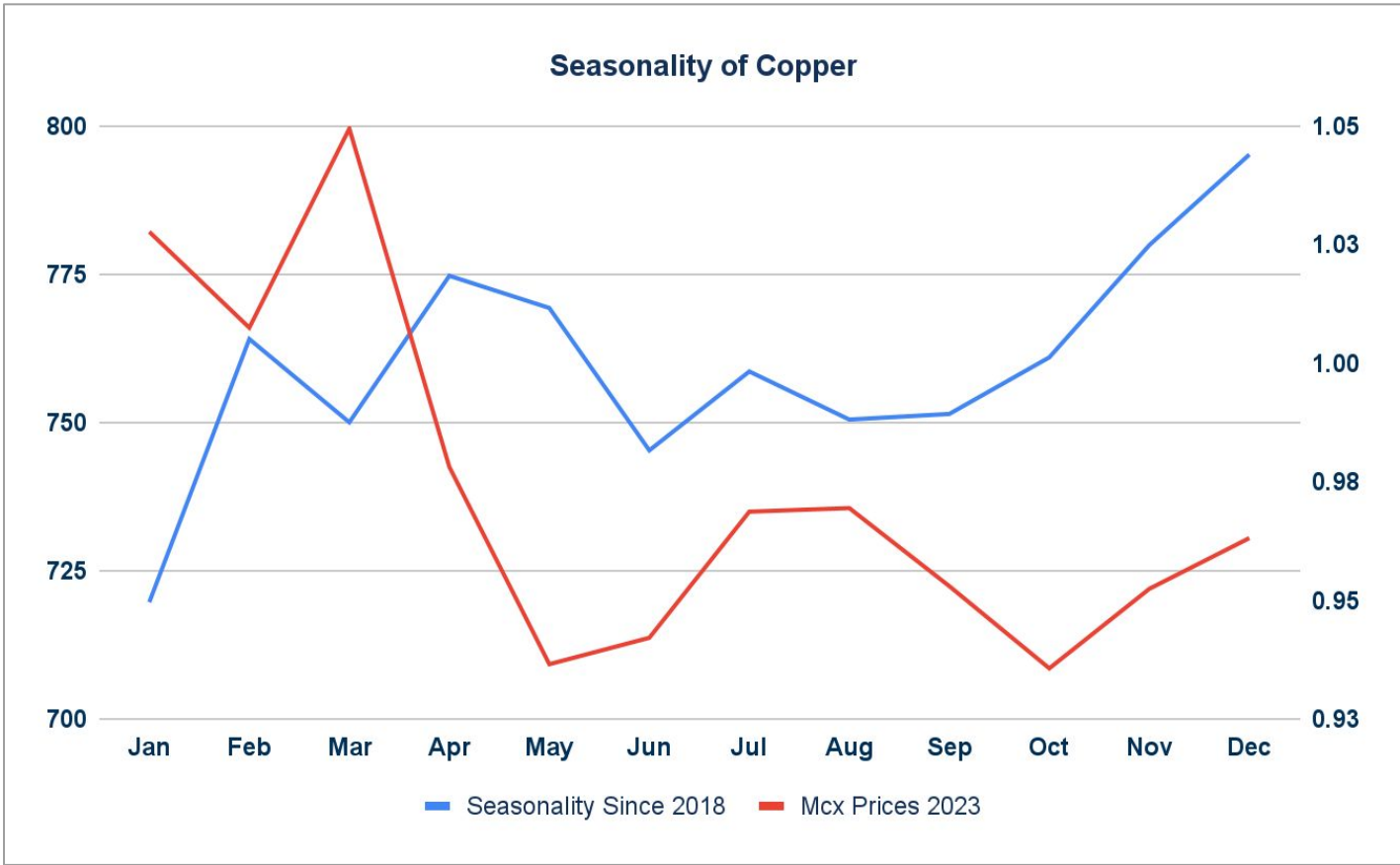
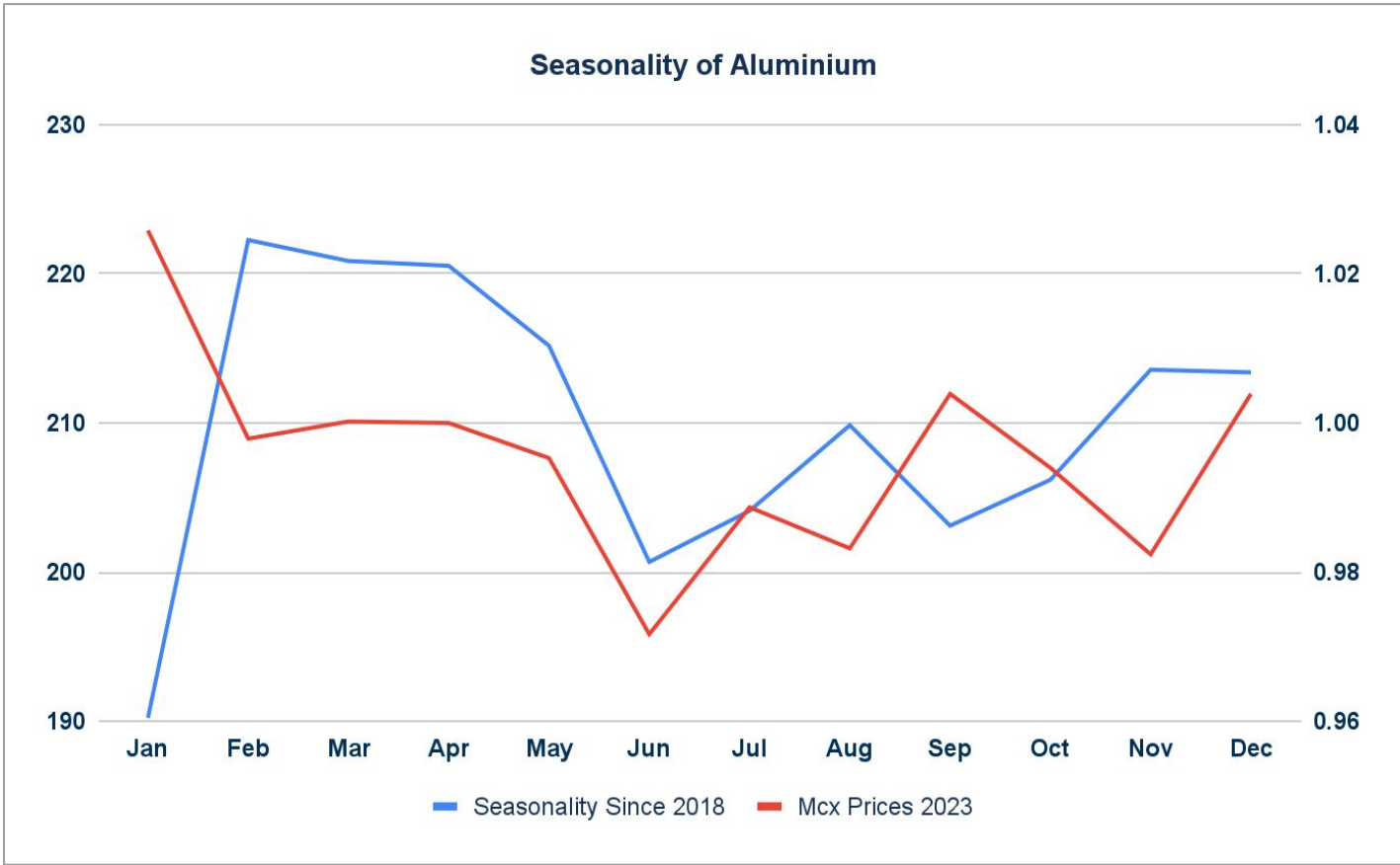


SPREAD

Commodity	Spread
ZINC FEB-JAN	2.00
ZINCMINI FEB-JAN	1.95

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	31-Jan-24	225.75	229.80	227.80	226.30	224.30	222.80
ZINC	29-Feb-24	227.75	231.30	229.60	228.30	226.60	225.30
ZINCMINI	31-Jan-24	225.90	229.70	227.90	226.50	224.70	223.30
ZINCMINI	29-Feb-24	227.85	231.80	229.80	228.50	226.50	225.20
Lme Zinc		2543.00	2627.50	2585.50	2558.00	2516.00	2488.50

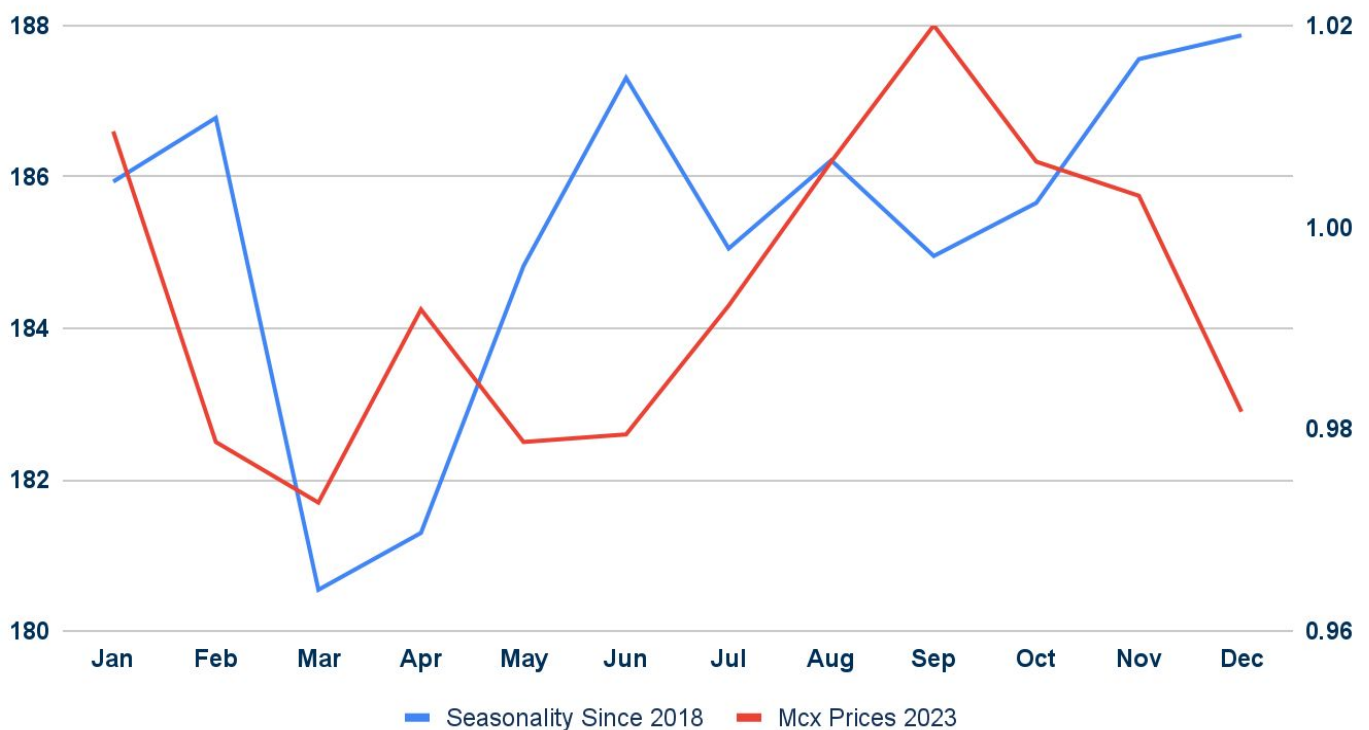




### Seasonality of Zinc



### Seasonality of Lead



## Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
Jan 2	EUR	Spanish Manufacturing PMI	Jan 4	USD	Challenger Job Cuts y/y
Jan 2	EUR	German Final Manufacturing PMI	Jan 4	USD	ADP Non-Farm Change
Jan 2	EUR	Final Manufacturing PMI	Jan 4	USD	Unemployment Claims
Jan 2	EUR	M3 Money Supply y/y	Jan 4	USD	Final Services PMI
Jan 2	USD	Final Manufacturing PMI	Jan 4	USD	Natural Gas Storage
Jan 2	USD	Construction Spending m/m	Jan 4	USD	Crude Oil Inventories
Jan 3	EUR	Spanish Unemployment Change	Jan 5	EUR	German Retail Sales m/m
Jan 3	EUR	German Unemployment Change	Jan 5	EUR	Core CPI Flash Estimate y/y
Jan 3	USD	FOMC Member Barkin Speaks	Jan 5	EUR	CPI Flash Estimate y/y
Jan 3	USD	ISM Manufacturing PMI	Jan 5	EUR	PPI m/m
Jan 3	USD	JOLTS Job Openings	Jan 5	USD	Average Hourly Earnings m/m
Jan 3	USD	ISM Manufacturing Prices	Jan 5	USD	Non-Farm Employment Change
Jan 4	USD	FOMC Meeting Minutes	Jan 5	USD	Unemployment Rate

## News you can Use

The HCOB Germany Composite PMI was revised upward to 47.4 in December 2023, rising from a preliminary estimate of 46.7 but remaining slightly below November's reading of 47.8. The PMI indicated a sixth consecutive month of contraction in the country's private sector, as the demand for goods and services continued to decline. Additionally, employment decreased to its greatest extent since August 2020, albeit still moderately overall. Regarding prices, both input costs and output charges accelerated in December. Finally, expectations reached a seven-month high but remained historically subdued. The HCOB Eurozone Composite PMI matched November's 47.6 in December, registering below the critical 50.0 threshold for a seventh consecutive month but beating market expectations of 47. This indicates a sustained but moderate decline in business activity across the eurozone. Notably, sub-50.0 readings were observed throughout the third and fourth quarters of 2023. Both manufacturing and services saw output decline in December, with contraction rates largely consistent with the previous month. Demand for euro area goods and services weakened further, while employment levels fell for only the second time in almost three years.

Some Federal Reserve officials are ready to talk about what it would take for the central bank to stop the ongoing shrinkage of its massive holdings of cash and bonds, opening the door to a notable shift in central bank monetary policy, according to meeting minutes for the Fed's Dec. 12-13 policy meeting. At the gathering last month, "several participants remarked that the Committee's balance sheet plans indicated that it would slow and then stop the decline in the size of the balance sheet when reserve balances are somewhat above the level judged consistent with ample reserves," the minutes said. "These participants suggested that it would be appropriate for the Committee to begin to discuss the technical factors that would guide a decision to slow the pace of runoff well before such a decision was reached in order to provide appropriate advance notice to the public," the Fed document said. The policymakers were taking on a process that has complemented the Fed's aggressive rate hike cycle, and that is its ongoing contraction of just shy of \$100 billion per month in the overall size of its balance sheet. The Fed is allowing Treasury and mortgage bonds it owns to mature and not be replaced, and in doing so, it has reduced its balance sheet by just over \$1 trillion, to \$7.764 trillion on Dec. 27.



This Report is prepared and distributed by Kedia Stocks & Commodities Research Pvt Ltd. Our SEBI REGISTRATION NUMBER - INH000006156. for information purposes only. The recommendations, if any, made herein are expressions of views and/or opinions and should not be deemed or construed to be neither advice for the purpose of purchase or sale through KSCRPL nor any solicitation or offering of any investment /trading opportunity. These information/opinions/ views are not meant to serve as a professional investment guide for the readers. No action is solicited based upon the information provided herein. Recipients of this Report should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed trading/investment decision before executing any trades or making any investments. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by KSCRPL to be reliable. KSCRPL or its directors, employees, affiliates or representatives do not assume any responsibility for or warrant the accuracy, completeness, adequacy and reliability of such information/opinions/ views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of KSCRPL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information/opinions/views contained in this Report. The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by KSCRPL in any jurisdiction (other than India), where any action for such purpose (s) is required. Accordingly, this Report shall not be possessed, circulated and/ or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. KSCRPL requires such a recipient to inform himself about and to observe any restrictions at his own expense, without any liability to KSCRPL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

## KEDIA ADVISORY

### KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD

Mumbai, India

SEBI REGISTRATION NUMBER - INH000006156

For more details, please contact: +91 93234 06035 / 96195 51022

Email: [info@kediaadvisory.com](mailto:info@kediaadvisory.com)

Regd.Off.: 1, 2, 3 & 4, 1st Floor, Tulip Bldg, Flower Valley Complex, Khadakpada Circle,  
Kalyan-(W), Mumbai-421301