



KEDIA ADVISORY

DAILY BASE METALS REPORT

7 Jun 2024

- ALUMINIUM
- COPPER
- LEAD
- ZINC



Kedia Stocks & Commodities Research Pvt. Ltd.

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MCX Basemetals Update

Commodity	Expiry	Open	High	Low	Close	% Change
COPPER	28-Jun-24	873.90	883.00	872.20	881.80	12.15
ZINC	28-Jun-24	259.90	262.20	258.65	261.80	-5.12
ALUMINIUM	28-Jun-24	240.00	242.75	239.80	241.65	1.69
LEAD	28-Jun-24	190.00	190.80	189.10	189.95	2.51

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	28-Jun-24	1.40	-0.96	Short Covering
ZINC	28-Jun-24	1.34	-5.12	Short Covering
ALUMINIUM	28-Jun-24	1.07	1.69	Fresh Buying
LEAD	28-Jun-24	0.08	2.51	Fresh Buying

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	10012.50	10166.50	10003.50	10147.00	2.23
Lme Zinc	2882.50	2925.00	2879.50	2921.00	1.99
Lme Aluminium	2637.50	2671.00	2635.00	2651.00	1.11
Lme Lead	2245.50	2261.00	2230.50	2240.00	0.47
Lme Nickel	18600.00	18580.00	18590.00	18288.00	-4.09

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	77.95	Crudeoil / Natural Gas Ratio	27.03
Gold / Crudeoil Ratio	11.56	Crudeoil / Copper Ratio	7.17
Gold / Copper Ratio	82.93	Copper / Zinc Ratio	3.37
Silver / Crudeoil Ratio	14.83	Copper / Lead Ratio	4.64
Silver / Copper Ratio	106.39	Copper / Aluminium Ratio	3.65

TECHNICAL SNAPSHOT



BUY ALUMINIUM JUN @ 240 SL 237 TGT 243-245. MCX

OBSERVATIONS

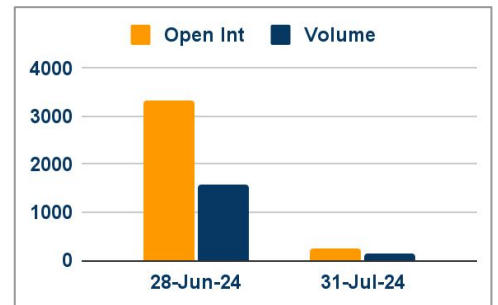
Aluminium trading range for the day is 238.5-244.3.

Aluminium prices rebounded on optimism that central bank rate cuts will help economic growth

Gas shortages drove mining giant Rio Tinto to declare force majeure on alumina cargoes from its Australian refineries, raising concerns about supply.

Shortages of alumina, emerged recently because of lower output from China and disruption to Rio Tinto's Australian exports.

OI & VOLUME



SPREAD

Commodity	Spread
ALUMINIUM JUL-JUN	0.20
ALUMINI JUL-JUN	0.00

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	28-Jun-24	241.65	244.30	243.00	241.40	240.10	238.50
ALUMINIUM	31-Jul-24	241.85	244.40	243.10	241.70	240.40	239.00
ALUMINI	28-Jun-24	242.60	245.40	244.00	242.20	240.80	239.00
ALUMINI	31-Jul-24	242.60	244.90	243.80	242.40	241.30	239.90
Lme Aluminium		2651.00	2688.00	2669.00	2652.00	2633.00	2616.00

TECHNICAL SNAPSHOT



BUY COPPER JUN @ 878 SL 873 TGT 884-888. MCX

OBSERVATIONS

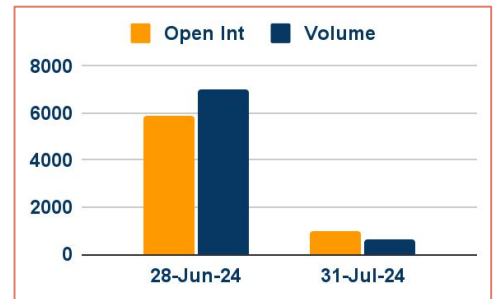
Copper trading range for the day is 868.2-889.8.

Copper gains buoyed by a softer U.S. dollar and signs of better demand China.

The dollar eased on renewed bets of a U.S. Federal Reserve easing cycle expected this year.

Copper buyers in China resumed some activities that had been dampened by a surge in prices last month.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER JUL-JUN	4.90

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	28-Jun-24	881.80	889.80	885.80	879.00	875.00	868.20
COPPER	31-Jul-24	886.70	894.00	890.40	884.10	880.50	874.20
Lme Copper		10147.00	10269.00	10208.50	10106.00	10045.50	9943.00

TECHNICAL SNAPSHOT



BUY ZINC JUN @ 260 SL 257 TGT 263-265. MCX

OBSERVATIONS

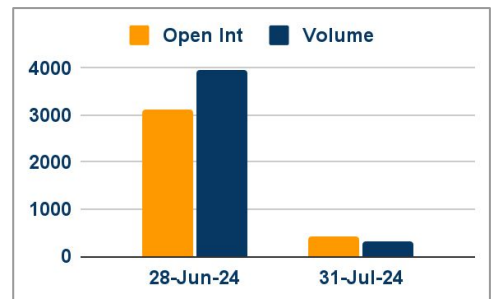
Zinc trading range for the day is 257.3-264.5.

Zinc gains supported by a softer dollar and prospects of earlier U.S. rate cuts amid weak economic data.

The global zinc market surplus fell to 52,300 metric tons in March from 66,800 tons in February – ILZSG.

China's refined zinc output was 504,600 mt, a month-on-month decrease of 20,900 mt or 3.99%.

OI & VOLUME

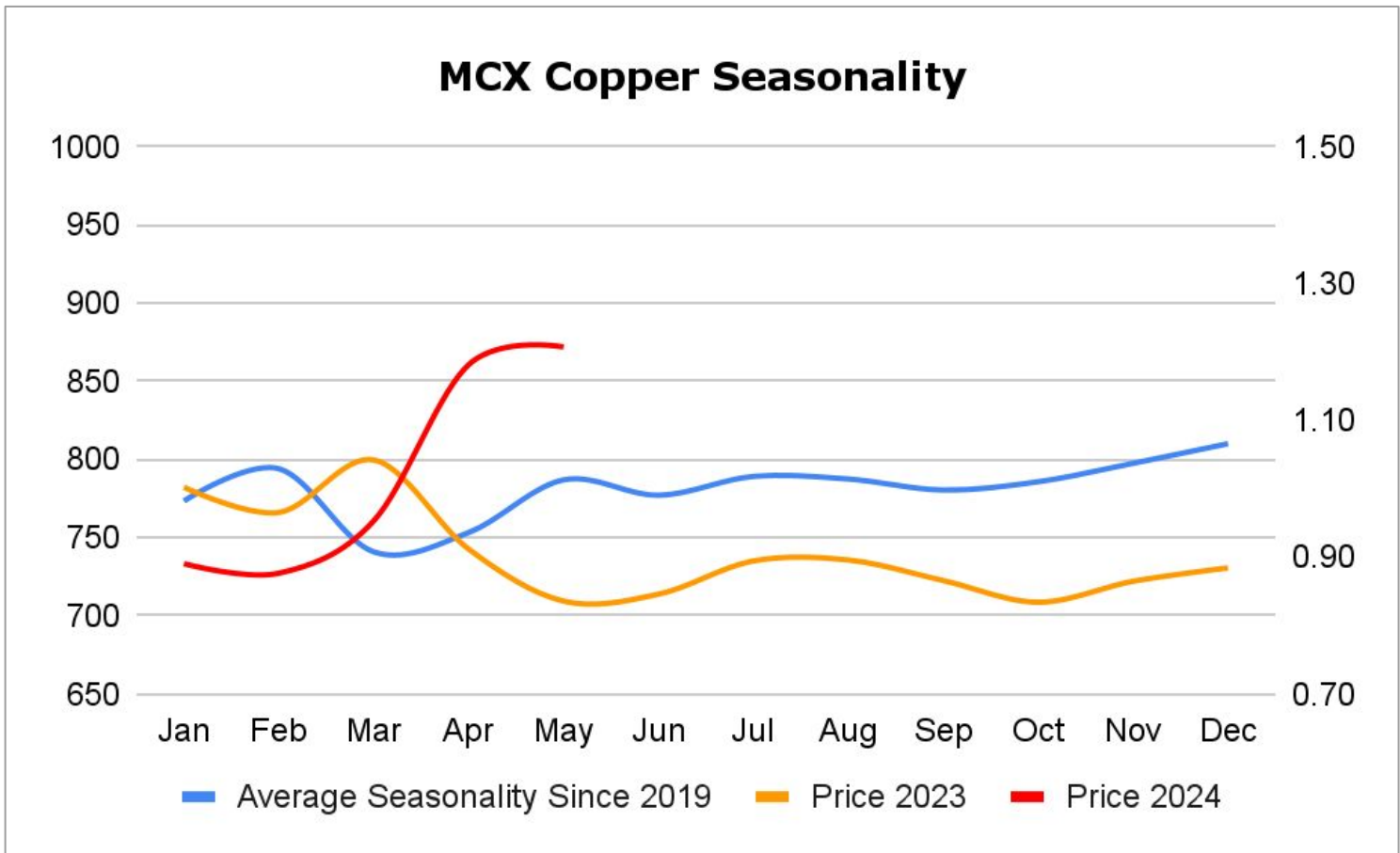
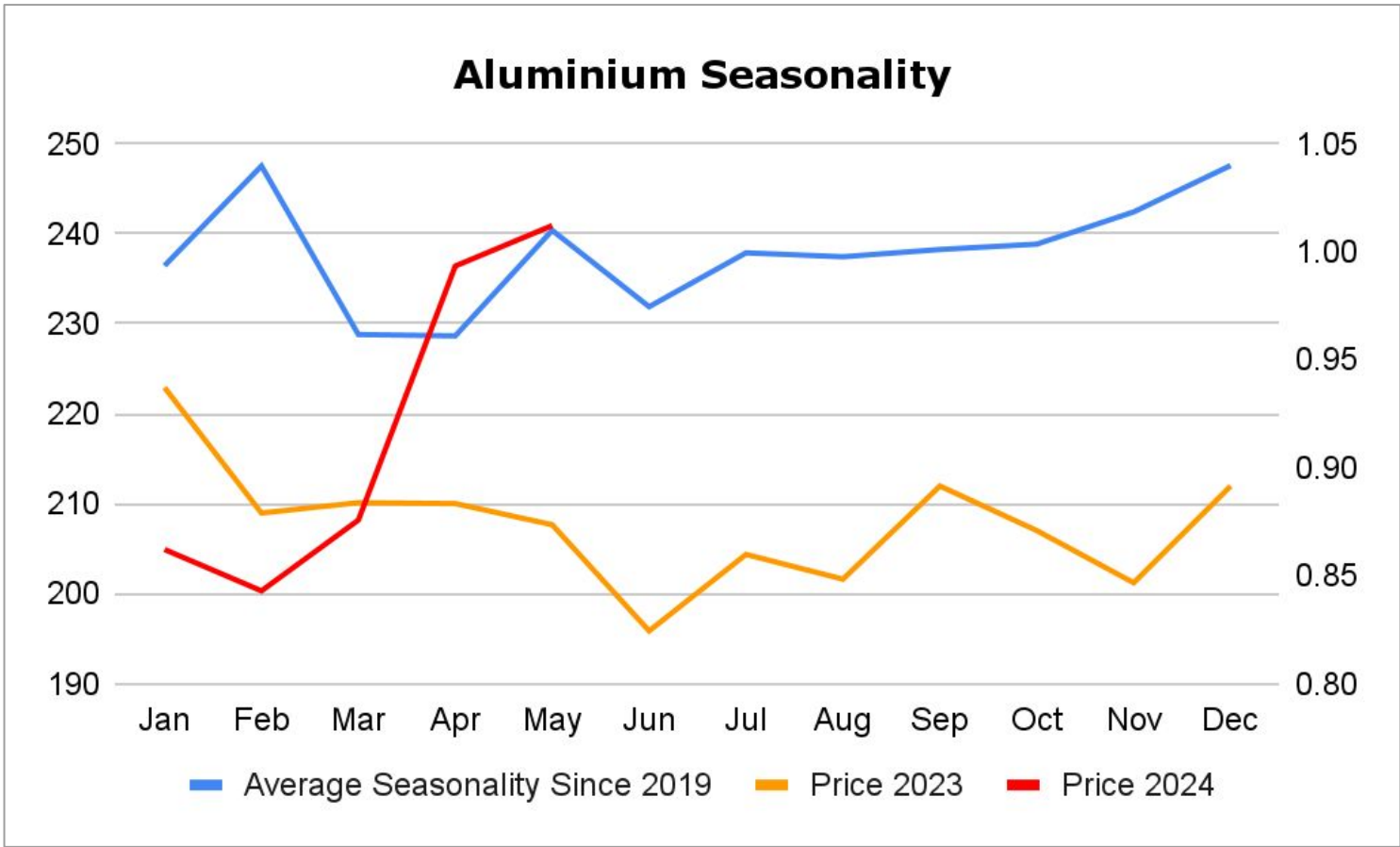


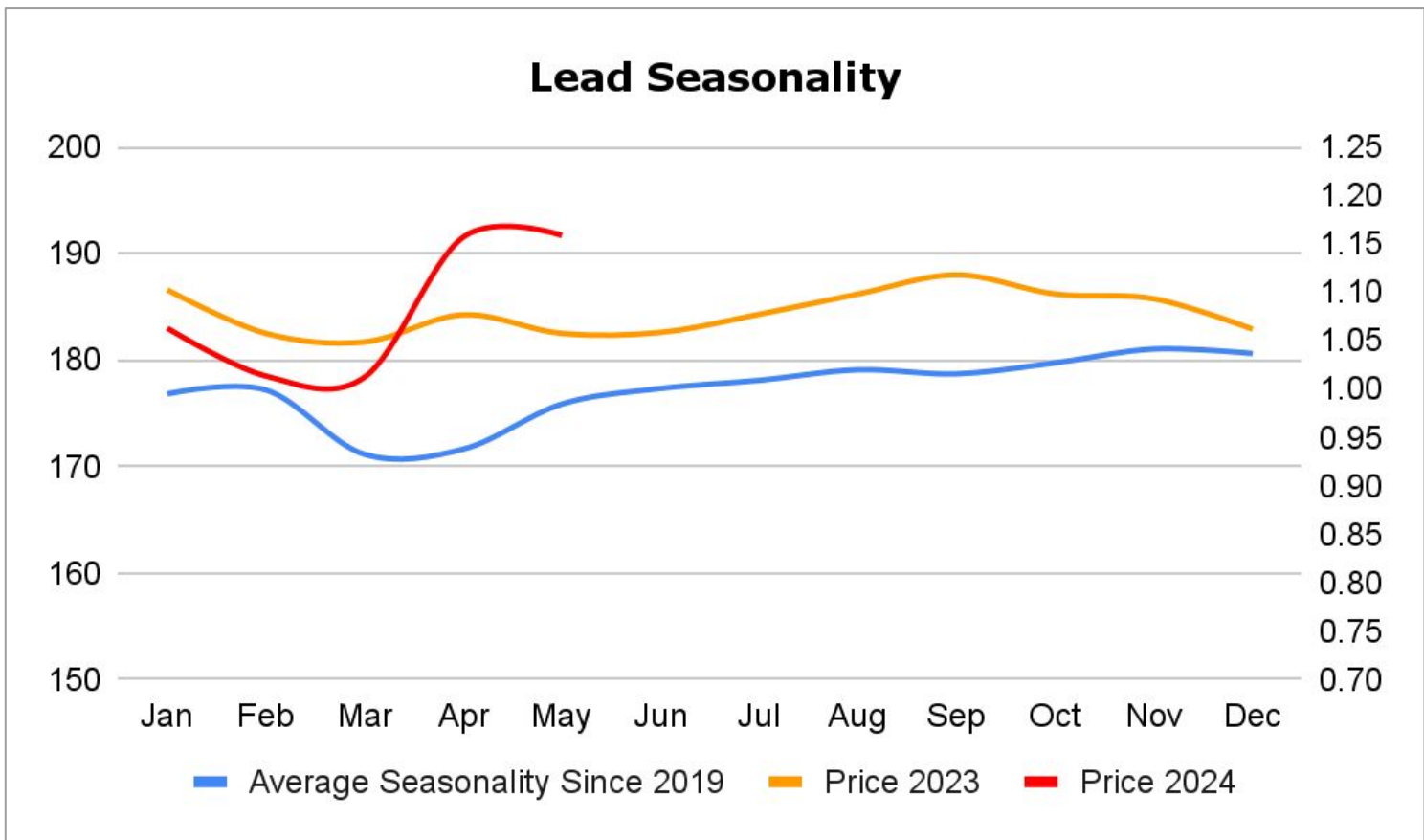
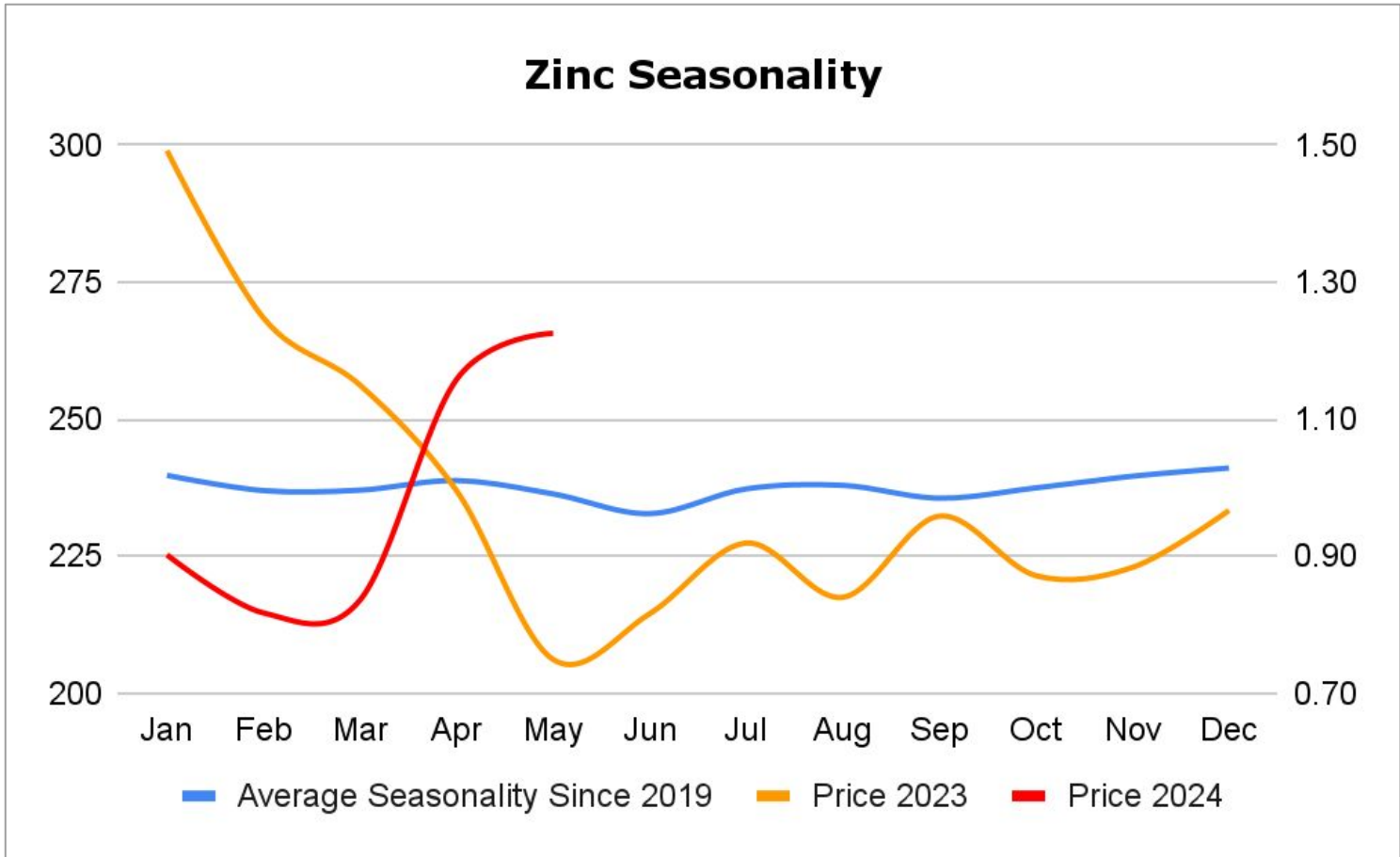
SPREAD

Commodity	Spread
ZINC JUL-JUN	-0.65
ZINCMINI JUL-JUN	-0.75

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	28-Jun-24	261.80	264.50	263.20	260.90	259.60	257.30
ZINC	31-Jul-24	261.15	262.90	262.00	260.40	259.50	257.90
ZINCMINI	28-Jun-24	261.75	264.10	263.00	260.90	259.80	257.70
ZINCMINI	31-Jul-24	261.00	262.70	261.90	260.40	259.60	258.10
Lme Zinc		2921.00	2954.50	2938.50	2909.00	2893.00	2863.50





Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
Jun 3	EUR	Spanish Manufacturing PMI	Jun 6	EUR	German Factory Orders m/m
Jun 3	EUR	German Final Manufacturing PMI	Jun 6	EUR	Retail Sales m/m
Jun 3	USD	Final Manufacturing PMI	Jun 6	EUR	Main Refinancing Rate
Jun 3	USD	ISM Manufacturing PMI	Jun 6	USD	Unemployment Claims
Jun 3	USD	ISM Manufacturing Prices	Jun 6	USD	Revised Nonfarm Productivity q/q
Jun 3	USD	Construction Spending m/m	Jun 6	USD	Revised Unit Labor Costs q/q
Jun 4	EUR	German Unemployment Change	Jun 6	USD	Trade Balance
Jun 4	USD	JOLTS Job Openings	Jun 6	USD	Natural Gas Storage
Jun 4	USD	Factory Orders m/m	Jun 7	EUR	German Trade Balance
Jun 5	EUR	German Final Services PMI	Jun 7	EUR	Final Employment Change q/q
Jun 5	EUR	PPI m/m	Jun 7	EUR	Revised GDP q/q
Jun 5	USD	ADP Non-Farm Employment Change	Jun 7	USD	Average Hourly Earnings m/m
Jun 5	USD	Final Services PMI	Jun 7	USD	Non-Farm Employment Change

News you can Use

The au Jibun Bank Japan Services PMI was revised higher to 53.8 in May 2024 from a preliminary figure of 53.6. That said, the latest result was lower than April's 8-month peak of 54.3, marking the softest growth in the service sector since February. New orders rose solidly, but its growth rate eased for the first time in seven months. Meanwhile, foreign sales increased the most since the series was added to the survey in September 2014. Employment grew for the eighth month, and the rate of job creation was among the fastest on record. Outstanding work accumulated further, but the rate of rise was the slowest in 2024 so far. On the cost front, input price inflation eased but was still above the long-run average. The au Jibun Bank Japan Composite PMI was revised upward to 52.6 in May 2024 from a flash figure of 52.4. It was the highest reading since last August, coming after April's print of 52.3, as the service economy grew at a softer pace but remained robust while manufacturing output stabilized. Average cash earnings in Japan jumped by 2.1% year-on-year in April 2024, accelerating from a 0.6% increase in March and exceeding forecasts for a 1.7% gain.

Euro zone inflation rose in May, data showed, in a sign the European Central Bank still faces a slow and uncertain journey to reach its goal of fully reining in prices. The bigger-than-expected increase in inflation was unlikely to stop the ECB from lowering borrowing costs from a record high next week, but may cement the case for a pause in July and a slower pace of interest rate reductions in the coming months. Consumer prices in the 20 countries that share the euro rose by 2.6% year on year in May, inching away from the ECB's 2% target after increases of 2.4% in the previous two months, according to Eurostat's flash estimate. ECB policymaker Fabio Panetta, the governor of the Bank of Italy, said the latest reading was neither good nor bad as he reaffirmed his view that the central bank could cut rates several times and still keep the brakes on the economy. More significantly, a closely watched measure of underlying inflation that excludes food, energy, alcohol and tobacco came in at 2.9% from 2.7% in April. Prices in the services sector, which some policymakers have singled out as especially relevant because they reflect domestic demand, rebounded to 4.1% from 3.7%.

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