



KEDIA ADVISORY

DAILY BASE METALS REPORT

4 Jul 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-Jul-24	849.00	866.45	848.50	863.30	16.30
ZINC	31-Jul-24	268.10	273.50	267.75	272.80	6.55
ALUMINIUM	31-Jul-24	231.10	234.10	230.60	233.40	-3.93
LEAD	31-Jul-24	188.45	189.75	188.45	189.35	2.92

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	31-Jul-24	1.92	-14.42	Short Covering
ZINC	31-Jul-24	2.34	6.55	Fresh Buying
ALUMINIUM	31-Jul-24	1.35	-3.93	Short Covering
LEAD	31-Jul-24	0.48	2.92	Fresh Buying

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	9683.50	9921.00	9658.50	9861.00	1.95
Lme Zinc	2929.00	3006.50	2922.00	2985.00	2.14
Lme Aluminium	2524.00	2563.50	2516.00	2550.00	1.09
Lme Lead	2207.00	2234.00	2203.00	2222.00	0.89
Lme Nickel	17500.00	17450.00	17475.00	17004.00	-2.03

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	78.68	Crudeoil / Natural Gas Ratio	34.16
Gold / Crudeoil Ratio	10.42	Crudeoil / Copper Ratio	8.05
Gold / Copper Ratio	83.87	Copper / Zinc Ratio	3.16
Silver / Crudeoil Ratio	13.24	Copper / Lead Ratio	4.56
Silver / Copper Ratio	106.59	Copper / Aluminium Ratio	3.70

TECHNICAL SNAPSHOT



BUY ALUMINIUM JUL @ 232 SL 230 TGT 235-237. MCX

OBSERVATIONS

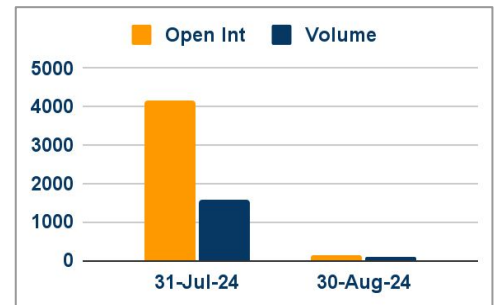
Aluminium trading range for the day is 229.2-236.2.

Aluminium gains as sentiment lifted by China's central bank's reinforcement of its easing monetary stance.

Global primary aluminium output rose 3.4% year on year to 6.1 million tons in May

China aluminium production up 7.2 % to 3.65 mln tonnes in May

OI & VOLUME



SPREAD

Commodity	Spread
ALUMINIUM AUG-JUL	-0.50
ALUMINI AUG-JUL	-0.25

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	31-Jul-24	233.40	236.20	234.80	232.70	231.30	229.20
ALUMINIUM	30-Aug-24	232.90	234.90	234.00	232.60	231.70	230.30
ALUMINI	31-Jul-24	234.70	237.00	235.80	233.90	232.70	230.80
ALUMINI	30-Aug-24	234.45	236.60	235.60	233.60	232.60	230.60
Lme Aluminium		2550.00	2590.50	2570.00	2543.00	2522.50	2495.50

TECHNICAL SNAPSHOT



BUY COPPER JUL @ 860 SL 856 TGT 865-868. MCX

OBSERVATIONS

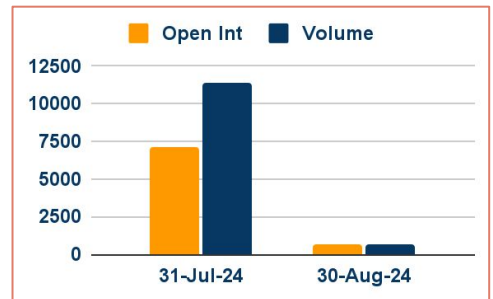
Copper trading range for the day is 841.5-877.3.

Copper prices climbed with renewed hopes of U.S. rate

Fed's Powell struck a moderately dovish tone, suggesting that the U.S. central bank is more than likely to start its easing cycle later this year.

China's services activity expanded at the slowest pace in eight months and confidence hit a four-year low in June.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER AUG-JUL	0.80

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	31-Jul-24	863.30	877.30	870.30	859.40	852.40	841.50
COPPER	30-Aug-24	864.10	876.70	870.40	860.70	854.40	844.70
Lme Copper		9861.00	10076.50	9969.50	9814.00	9707.00	9551.50

TECHNICAL SNAPSHOT



BUY ZINC JUL @ 271 SL 269 TGT 274-276. MCX

OBSERVATIONS

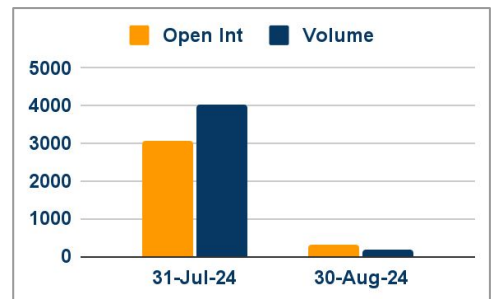
Zinc trading range for the day is 265.6-277.2.

Zinc gains amid hopes of improved demand in China following recent price drops and supply concerns.

The global zinc market surplus fell to 22,100 metric tons in April from 70,100 tons in March.

In China, zinc concentrate imports decreased by 24% in the first four months of this year compared to the previous year.

OI & VOLUME

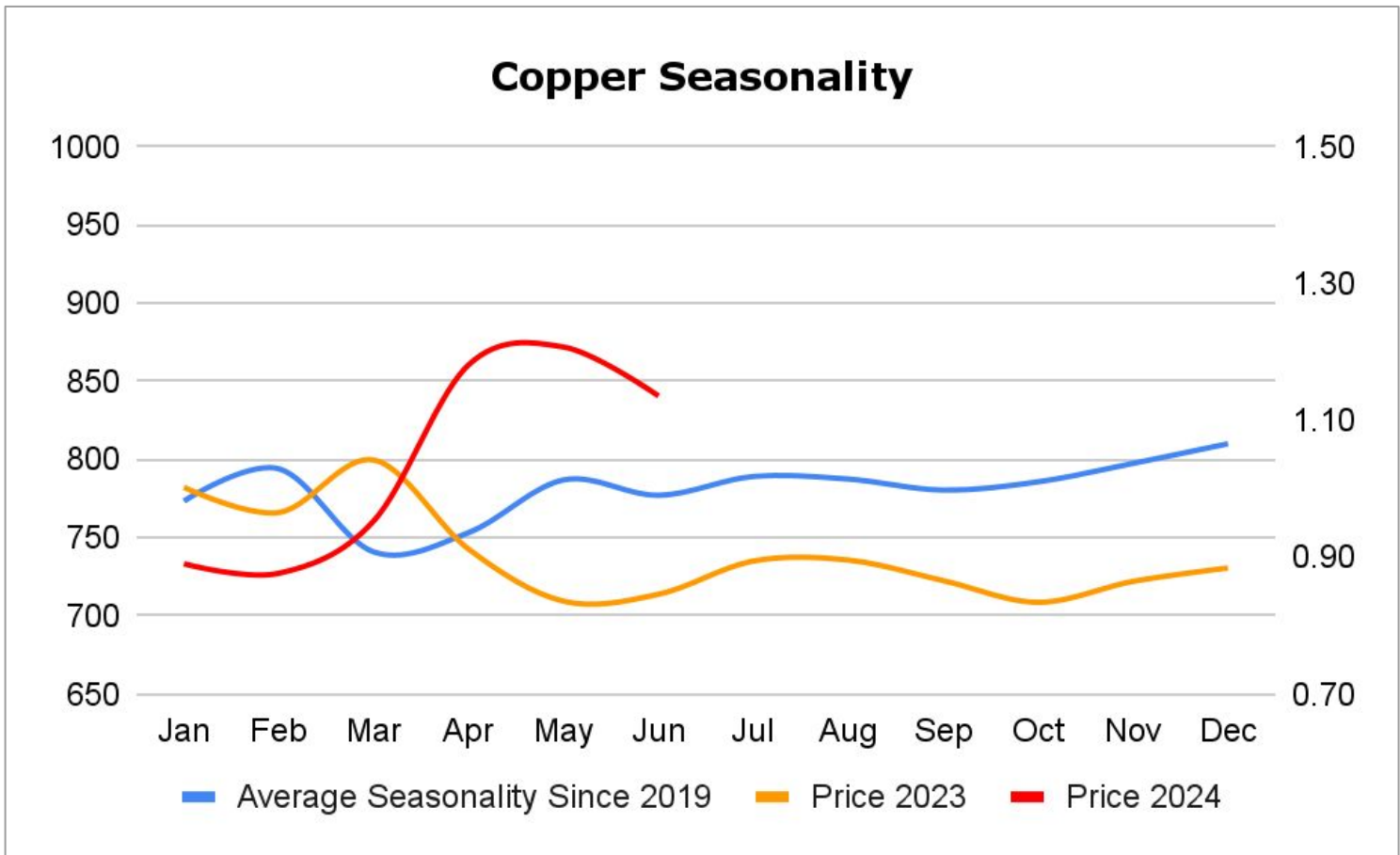
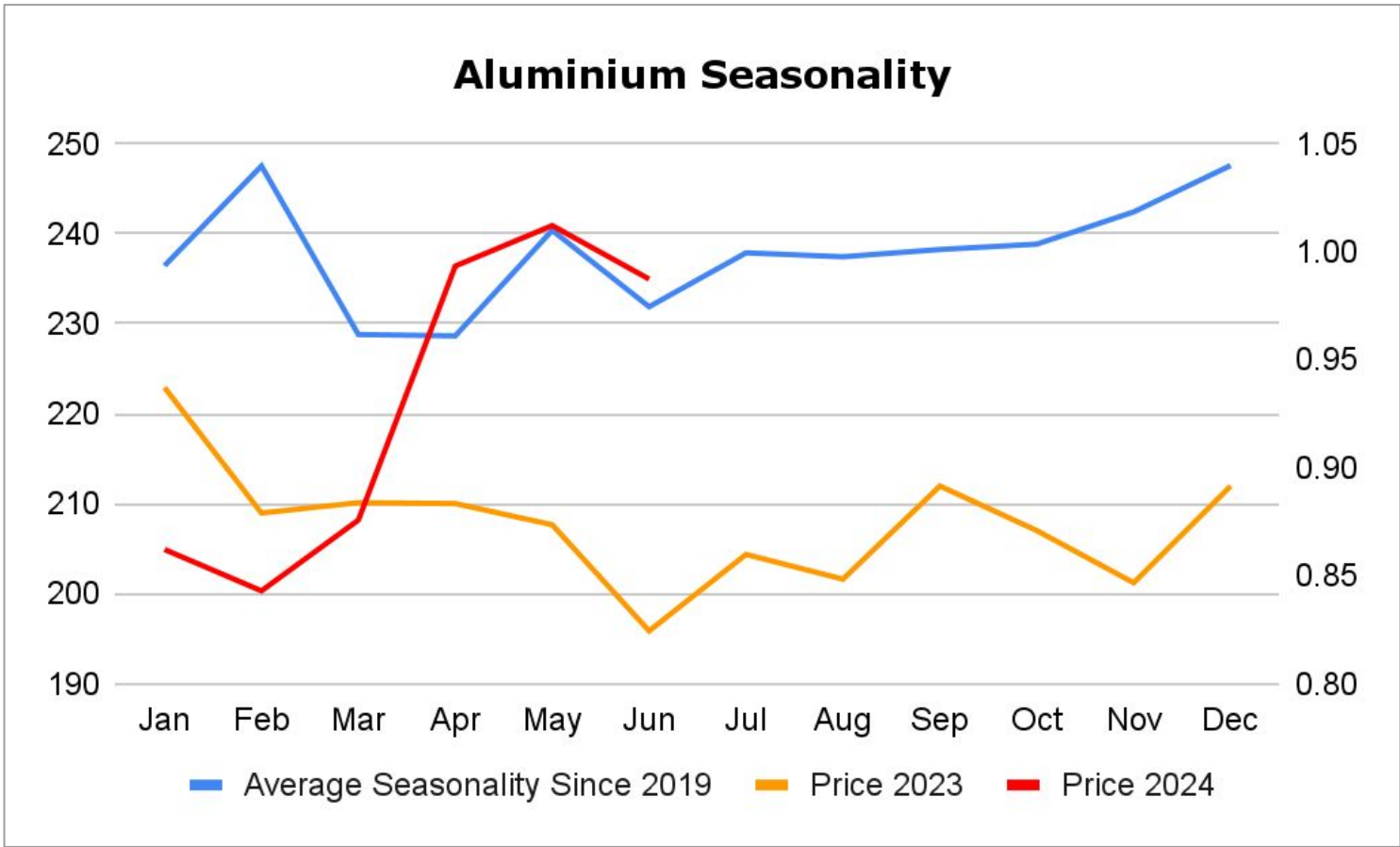


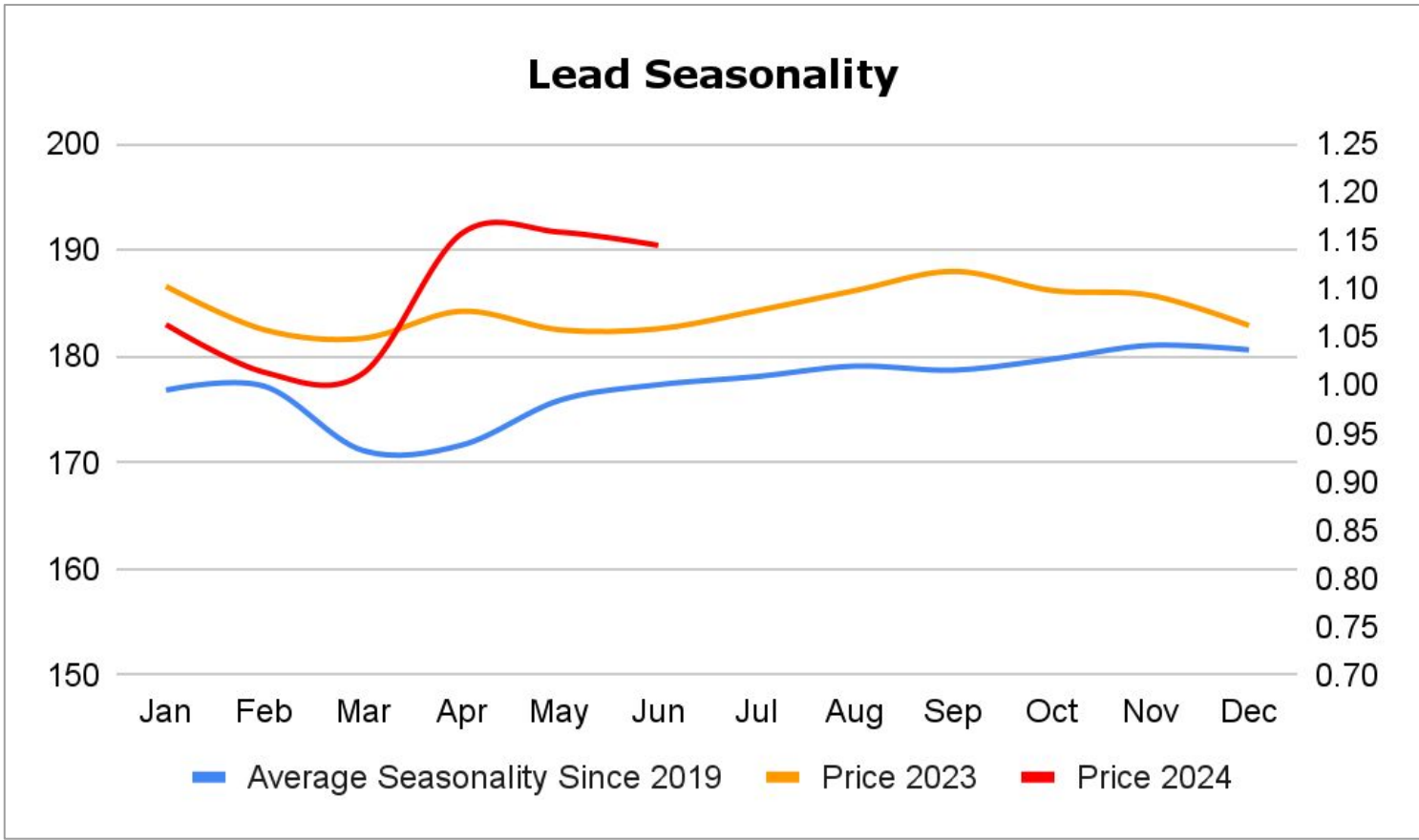
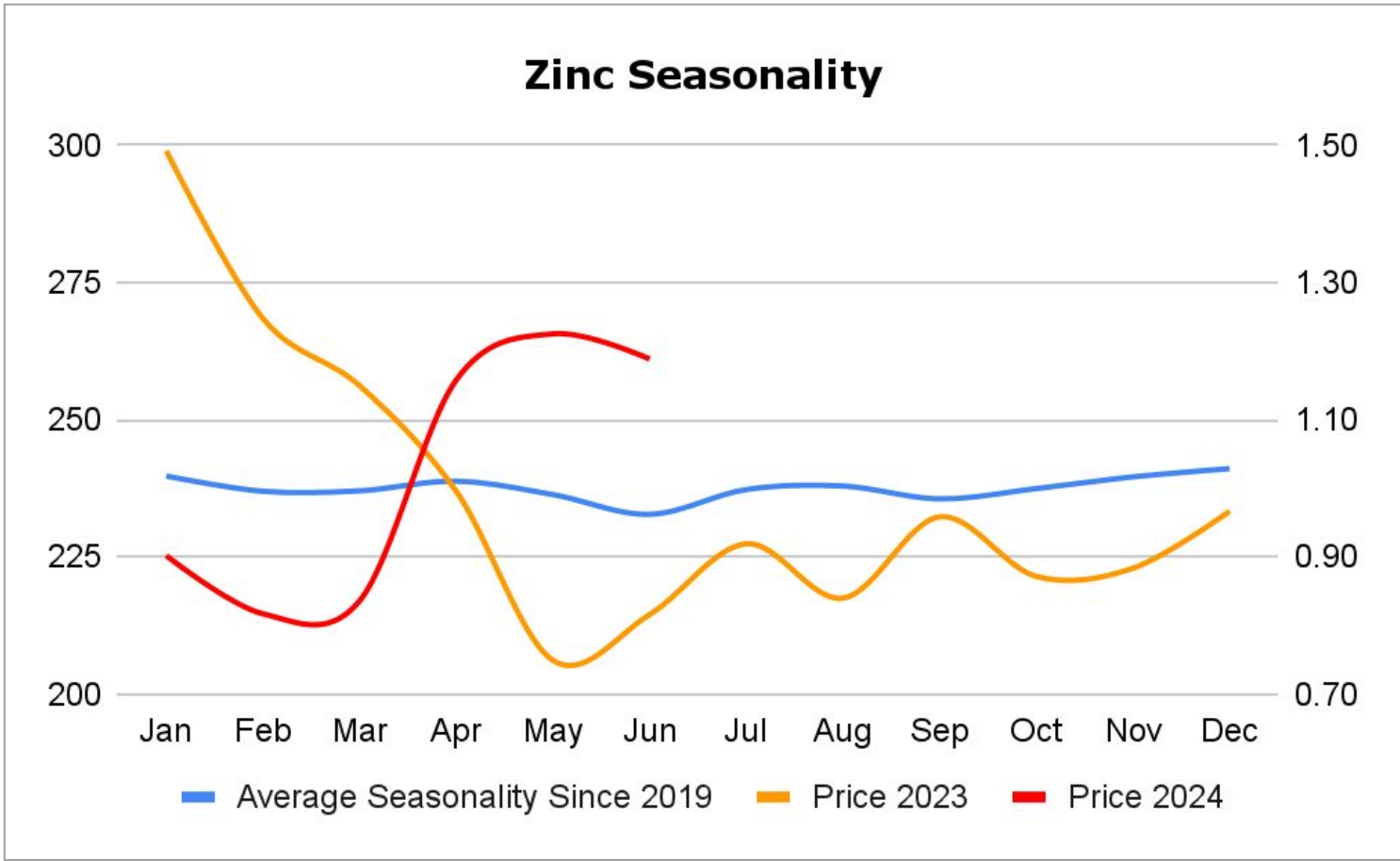
SPREAD

Commodity	Spread
ZINC AUG-JUL	-2.55
ZINCMINI AUG-JUL	-2.55

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	31-Jul-24	272.80	277.20	275.10	271.40	269.30	265.60
ZINC	30-Aug-24	270.25	273.40	271.80	268.90	267.30	264.40
ZINCMINI	31-Jul-24	272.65	277.10	274.90	271.20	269.00	265.30
ZINCMINI	30-Aug-24	270.10	273.60	271.90	268.70	267.00	263.80
Lme Zinc		2985.00	3055.50	3020.00	2971.00	2935.50	2886.50





Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
Jul 1	EUR	German Final Manufacturing PMI	Jul 3	USD	ADP Non-Farm Employment Change
Jul 1	EUR	Final Manufacturing PMI	Jul 3	USD	Unemployment Claims
Jul 1	USD	Final Manufacturing PMI	Jul 3	USD	Trade Balance
Jul 1	USD	ISM Manufacturing PMI	Jul 3	USD	Final Services PMI
Jul 1	USD	ISM Manufacturing Prices	Jul 3	USD	ISM Services PMI
Jul 1	USD	Construction Spending m/m	Jul 3	USD	Factory Orders m/m
Jul 2	EUR	Core CPI Flash Estimate y/y	Jul 3	USD	Crude Oil Inventories
Jul 2	EUR	CPI Flash Estimate y/y	Jul 3	USD	Natural Gas Storage
Jul 2	EUR	Unemployment Rate	Jul 4	EUR	German Factory Orders m/m
Jul 2	USD	JOLTS Job Openings	Jul 5	EUR	German Industrial Production m/m
Jul 3	EUR	Spanish Services PMI	Jul 5	EUR	Italian Retail Sales m/m
Jul 3	EUR	German Final Services PMI	Jul 5	EUR	Retail Sales m/m
Jul 3	EUR	Final Services PMI	Jul 5	USD	Average Hourly Earnings m/m

News you can Use

Japanese service activity contracted for the first time in nearly two years in June as domestic demand cooled, a private sector survey showed, although business confidence and hiring indicators remained upbeat. The service sector has been propelling economic growth in Japan, offsetting feeble manufacturing performance. The final au Jibun Bank Service purchasing managers' index (PMI) slipped to 49.4 in June from 53.8 in May, snapping 21 straight months of expansion, the S&P Global Market Intelligence survey showed. The PMI was weaker than the flash reading of 49.8, which was the first reading below the 50.0 threshold separating expansion from contraction since August 2022. The decline of new business in June marked a pause in growth instead of an outright drop in demand, said Trevor Balchin, economics director at S&P Global Market Intelligence. Demand in consumer services, finance and insurance, and real estate and business services dropped whereas transport and storage, and information and communication saw increases in June, the survey showed. Although at a slower pace, employment growth and business confidence in the next 12 months remained relatively robust.

The HCOB Germany Manufacturing PMI was little changed at 43.5 in June 2024, compared to a preliminary of 43.4 and a four-month high of 45.4 in May. The reading pointed to a fresh setback of the manufacturing sector at the end of the second quarter, with the rates of contraction in both output and new orders accelerating. Furthermore, the destocking cycle showed no signs of turning as firms reported deepening declines in both pre- and post-production inventories. The decline in backlogs of work also gathered pace and work-in-hand fell sharply as firms completed orders at a quicker rate than they received them. Consequently, workforce numbers were scaled back for the twelfth month running. The HCOB Eurozone Manufacturing PMI was revised higher to 45.8 in June 2024 from a preliminary estimate of 45.6. Still, the PMI remains well below the survey average of 51.6, with output contracting at the fastest rate so far this year. New orders, purchasing activity, and employment all declined more rapidly. On the price front, input costs rose for the first time since February 2023, leading factories to reduce discounts. Output charges saw a slight decrease, the slowest rate in over a year. Finally, the outlook for output over the next 12 months is positive.

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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

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