



KEDIA ADVISORY

DAILY BASE METALS REPORT

3 Sep 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	30-Sep-24	802.85	804.90	798.20	801.40	-4.60
ZINC	30-Sep-24	267.55	267.55	264.00	264.80	2.41
ALUMINIUM	30-Sep-24	224.00	224.05	222.20	222.75	5.66
LEAD	30-Sep-24	185.80	186.40	185.10	185.30	-0.82

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	30-Sep-24	-0.57	2.95	Fresh Selling
ZINC	30-Sep-24	-1.45	2.41	Fresh Selling
ALUMINIUM	30-Sep-24	-1.15	5.66	Fresh Selling
LEAD	30-Sep-24	-0.27	-0.82	Long Liquidation

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	9261.50	9278.50	9157.50	9224.00	-0.12
Lme Zinc	2887.50	2891.00	2822.50	2837.00	-2.07
Lme Aluminium	2454.00	2462.00	2414.50	2428.00	-0.78
Lme Lead	2062.00	2073.00	2048.00	2064.00	0.54
Lme Nickel	17000.00	16925.00	16930.00	17003.00	-0.09

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	84.68	Crudeoil / Natural Gas Ratio	33.71
Gold / Crudeoil Ratio	11.51	Crudeoil / Copper Ratio	7.76
Gold / Copper Ratio	89.34	Copper / Zinc Ratio	3.03
Silver / Crudeoil Ratio	13.59	Copper / Lead Ratio	4.32
Silver / Copper Ratio	105.51	Copper / Aluminium Ratio	3.60

TECHNICAL SNAPSHOT



BUY ALUMINIUM SEP @ 224 SL 222 TGT 226-228. MCX

OBSERVATIONS

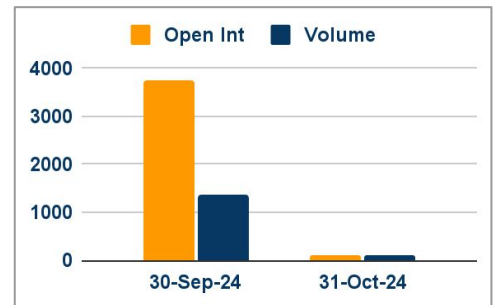
Aluminium trading range for the day is 221.2-224.8.

Aluminium dropped pressured by concern about excess supplies as inventories climb in SHFE-approved warehouses

SHFE aluminium stocks have gained 36% over the past three months.

Aluminium supply remains elevated, while downstream demand recovery in China is limited

OI & VOLUME



SPREAD

Commodity	Spread
ALUMINIUM OCT-SEP	1.85
ALUMINI OCT-SEP	1.70

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	30-Sep-24	222.75	224.80	223.80	223.00	222.00	221.20
ALUMINIUM	31-Oct-24	224.60	226.40	225.50	224.90	224.00	223.40
ALUMINI	30-Sep-24	223.50	226.80	225.10	224.00	222.30	221.20
ALUMINI	31-Oct-24	225.20	227.90	226.60	225.80	224.50	223.70
Lme Aluminium		2428.00	2482.50	2455.50	2435.00	2408.00	2387.50

TECHNICAL SNAPSHOT



BUY COPPER SEP @ 804 SL 800 TGT 810-814. MCX

OBSERVATIONS

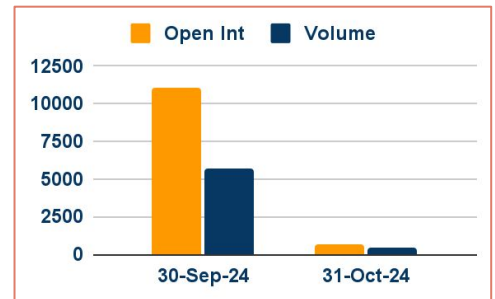
Copper trading range for the day is 794.8-808.2.

Copper dropped pressured by rising inventories, lacklustre demand in China and a strong dollar.

Chile's copper output increased around 2% year-on-year in the month to 443,633 metric tons.

LME copper inventories increased by 8,700 tons to 322,950 tons, the highest for about five years.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER OCT-SEP	8.15

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	30-Sep-24	801.40	808.20	804.80	801.50	798.10	794.80
COPPER	31-Oct-24	809.55	816.30	813.00	810.00	806.70	803.70
Lme Copper		9224.00	9341.00	9282.50	9220.00	9161.50	9099.00

TECHNICAL SNAPSHOT



BUY ZINC SEP @ 267 SL 265 TGT 270-272. MCX

OBSERVATIONS

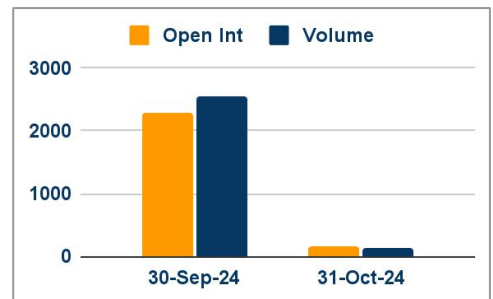
Zinc trading range for the day is 262-269.

Zinc dropped as factory activity in China slowed further in August.

Limited upside due to concerns about China's demand recovery.

Treatment charges for zinc concentrates have fallen to historical lows.

OI & VOLUME

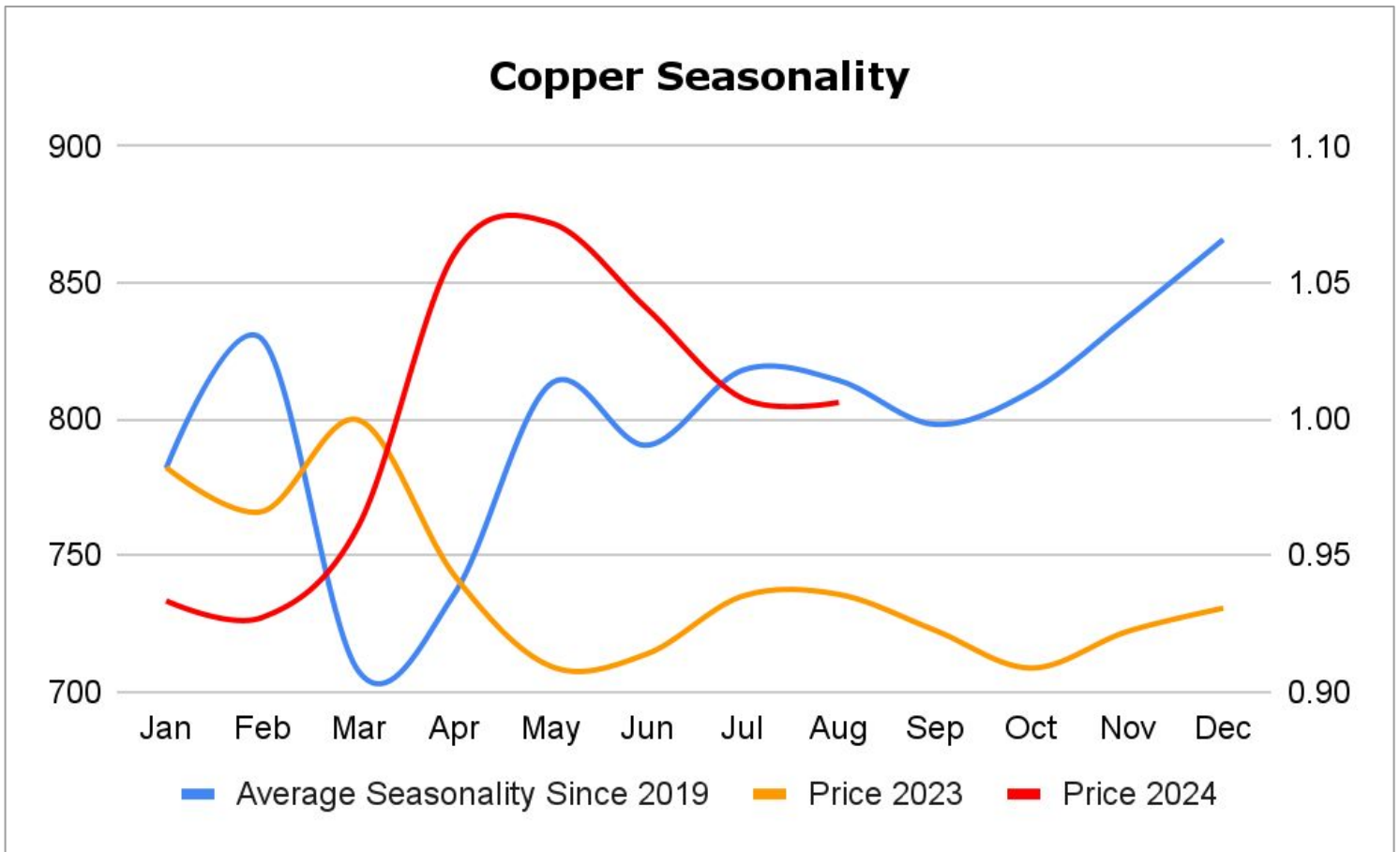
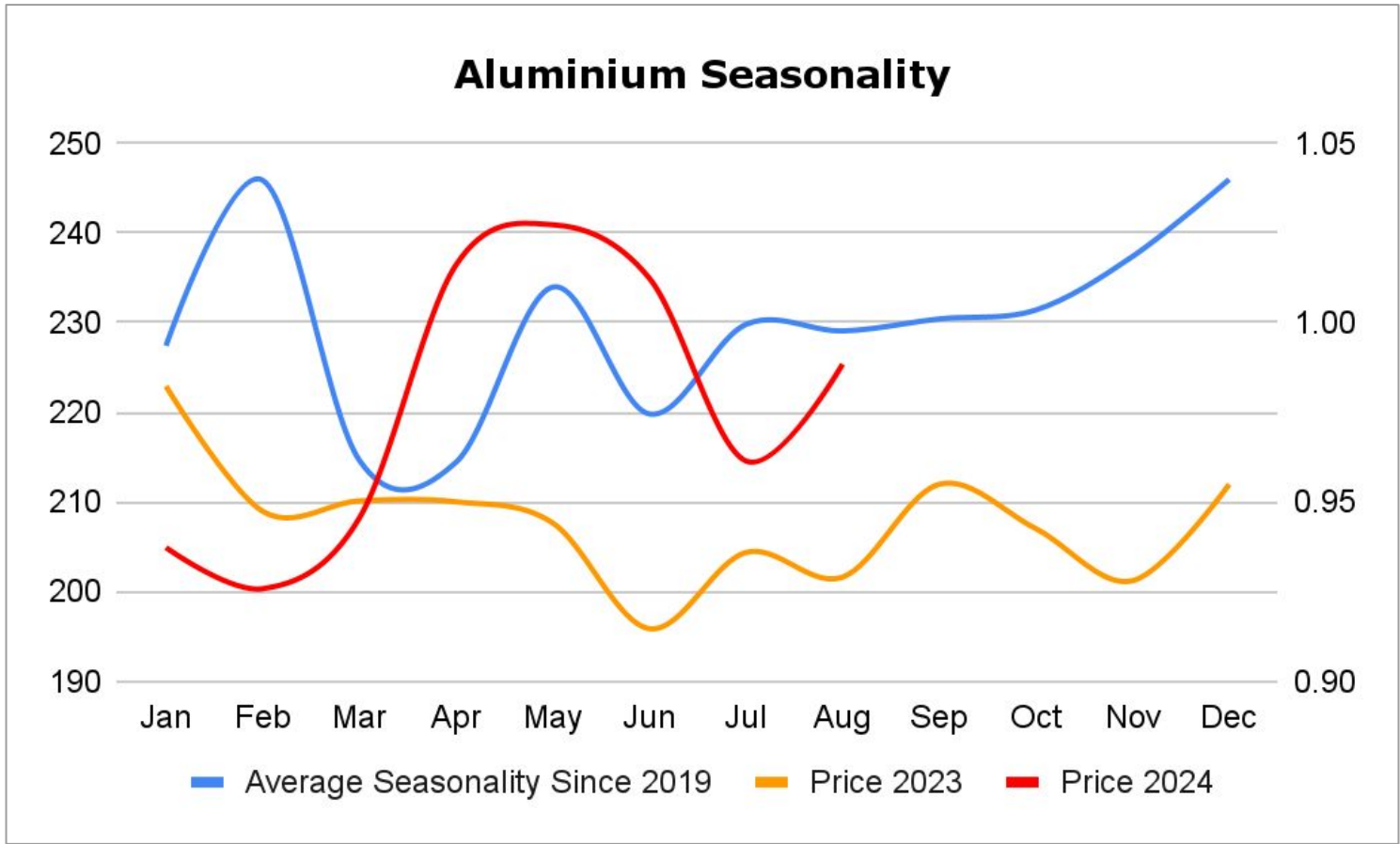


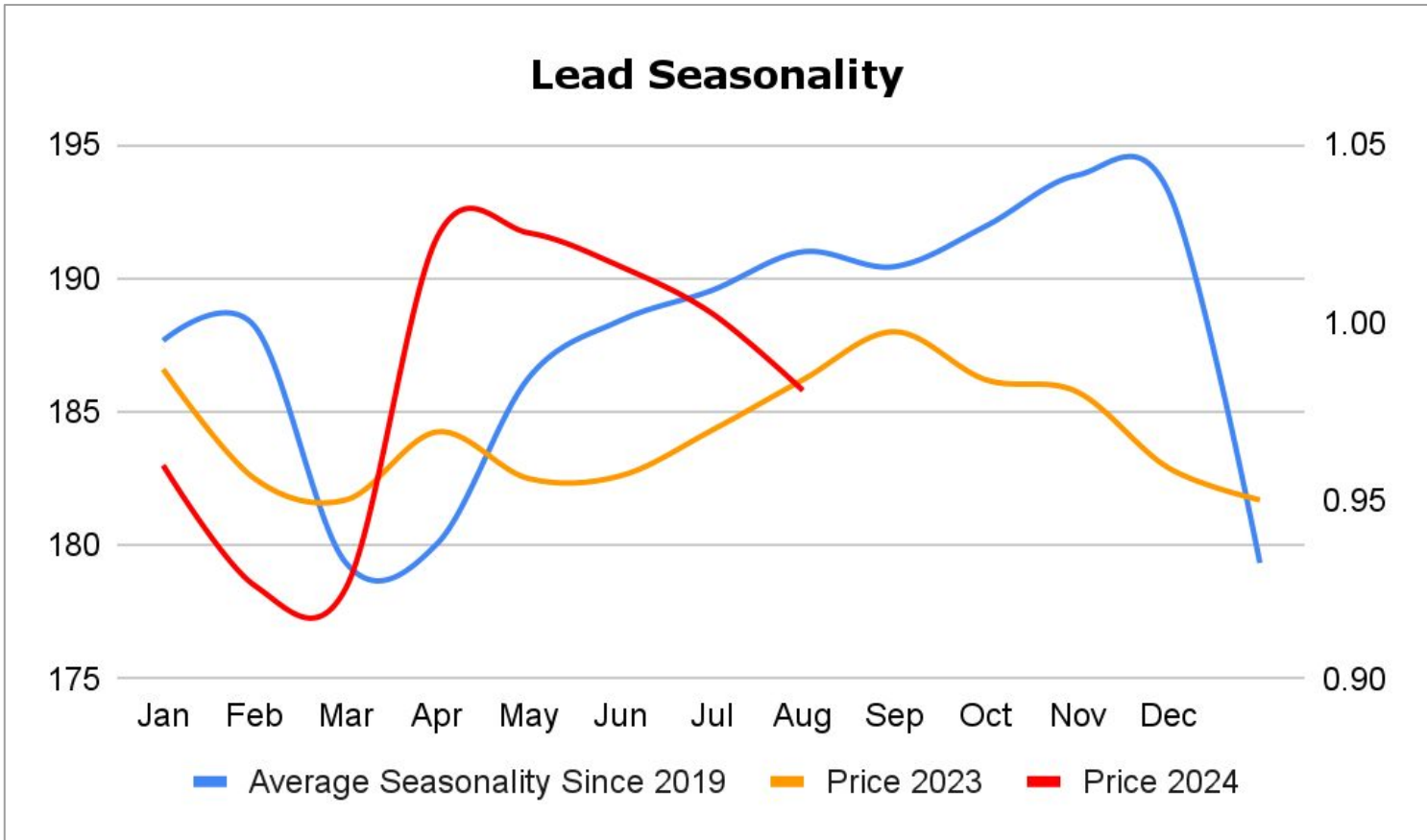
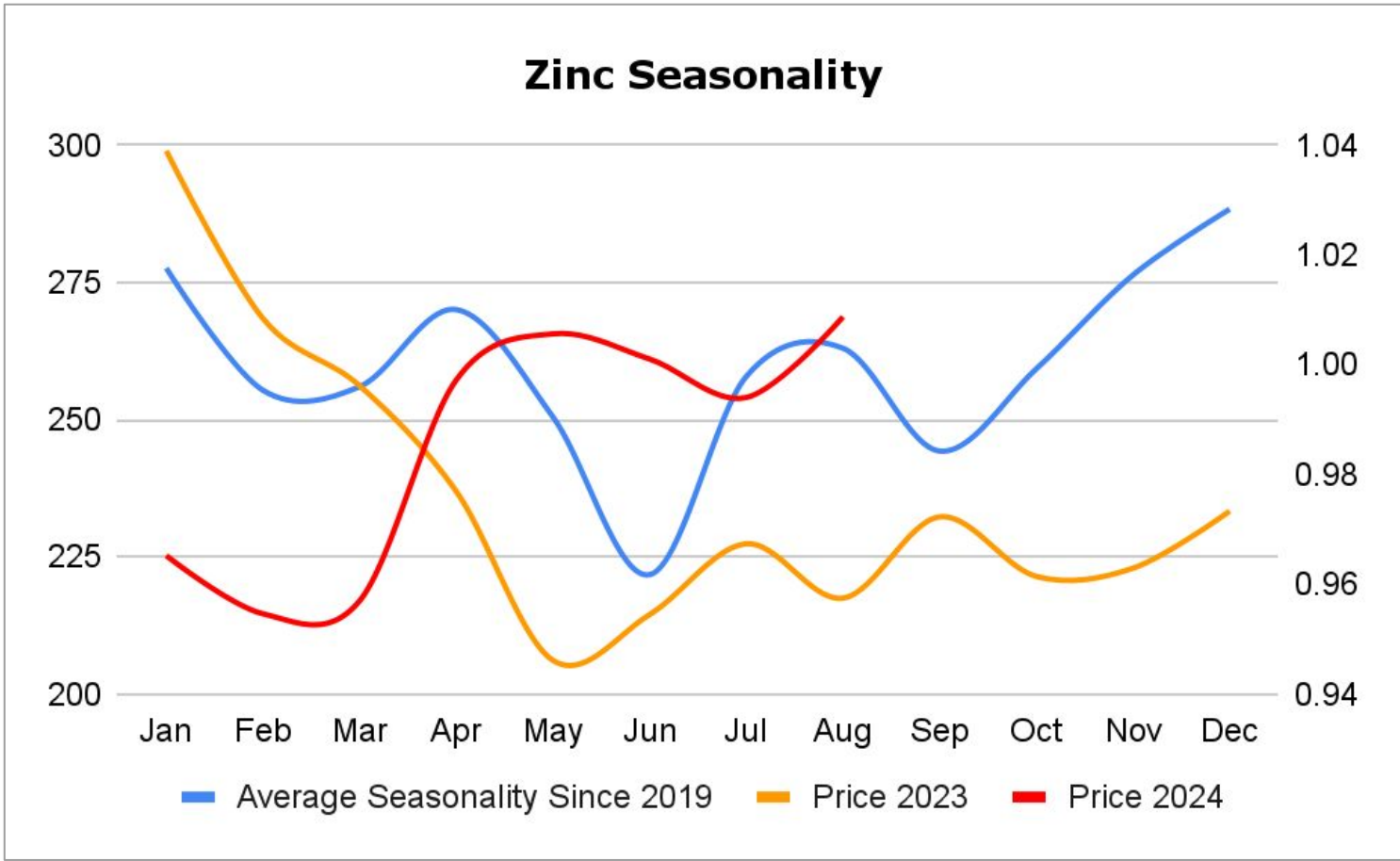
SPREAD

Commodity	Spread
ZINC OCT-SEP	0.30
ZINCMINI OCT-SEP	0.25

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	30-Sep-24	264.80	269.00	267.00	265.50	263.50	262.00
ZINC	31-Oct-24	265.10	267.00	266.10	265.00	264.10	263.00
ZINCMINI	30-Sep-24	264.75	269.70	267.20	265.60	263.10	261.50
ZINCMINI	31-Oct-24	265.00	267.10	266.00	265.00	263.90	262.90
Lme Zinc		2837.00	2918.50	2877.50	2850.00	2809.00	2781.50





Weekly Economic Data

Date	Curr.	Data
Sep 2	EUR	Spanish Manufacturing PMI
Sep 2	EUR	Final Manufacturing PMI
Sep 3	EUR	Spanish Unemployment Change
Sep 3	USD	ISM Manufacturing PMI
Sep 3	USD	ISM Manufacturing Prices
Sep 4	EUR	Spanish Services PMI
Sep 4	EUR	Italian Services PMI
Sep 4	EUR	Final Services PMI
Sep 4	EUR	PPI m/m
Sep 4	USD	Trade Balance
Sep 4	USD	JOLTS Job Openings
Sep 4	USD	Factory Orders m/m
Sep 5	EUR	German Factory Orders m/m

Date	Curr.	Data
Sep 5	USD	ADP Non-Farm Employment Change
Sep 5	USD	Unemployment Claims
Sep 5	USD	Revised Nonfarm Productivity q/q
Sep 5	USD	Revised Unit Labor Costs q/q
Sep 5	USD	ISM Services PMI
Sep 6	EUR	German Industrial Production m/m
Sep 6	EUR	German Trade Balance
Sep 6	EUR	French Industrial Production m/m
Sep 6	EUR	French Trade Balance
Sep 6	EUR	Italian Retail Sales m/m
Sep 6	EUR	Final Employment Change q/q
Sep 6	EUR	Revised GDP q/q
Sep 6	USD	Average Hourly Earnings m/m

News you can Use

European Central Bank policymakers are increasingly at odds on the outlook for growth, a rift that could shape the rate cut debate for months with some fearing a recession and others focusing on lingering inflation pressures. The ECB cut interest rates in June and is almost certain to ease again in September in a nod to slowing price growth. However, policy decisions further down the road are likely to be more complicated as the euro zone economy enters a more precarious state, conversations with close to a dozen sources suggest. The core of the debate is over how weakness in economic growth and a potential recession will impact inflation – the bank's ultimate focus – as it tries to cut inflation to 2% by the end of 2025. Although much of the discussion is private, conversations with sources with direct knowledge of it reveal diverging views. Policy doves, who remain in the minority, argue the economy is weaker than thought, recession risks are on the rise and firms that have hoarded labour are starting to cut vacancies, leaving the jobs market softer. Once employment declines, so does disposable income, quickly eroding consumption and leaving a self-reinforcing downturn.

China's manufacturing activity swung back to growth in August as new orders drove production, a private sector survey showed, supporting employment and lifting confidence about the outlook. However, the first decline in new export orders in eight months sounded the alarm following tamer exports data in July, adding to concerns about the outlook as the Christmas goods shipment peak started. The Caixin/S&P Global manufacturing PMI rose to 50.4 in August from 49.8 the previous month, beating forecasts in a Reuters poll of 50.0. The reading, which mostly covers smaller, export-oriented firms, is more upbeat than an official PMI survey on Saturday showing manufacturing activity extended declines in August. New orders increased last month after falling in July, driving up production gain for a 10th successive month, the Caixin survey showed. Firms in the consumer and intermediate goods sectors, in particular, led the output growth. Deterioration in external demand led to new export orders falling for the first time in eight months and at the fastest pace since November 2023. Exports have been a recent spotlight, shoring up the world's second-biggest economy as domestic consumption waned and a property crisis hurt business and household confidence.

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