



KEDIA ADVISORY

DAILY BASE METALS REPORT

31 May 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	28-Jun-24	895.85	895.90	871.35	877.20	-26.35
ZINC	28-Jun-24	273.40	273.90	269.45	271.50	-7.41
ALUMINIUM	28-Jun-24	248.35	249.95	242.05	243.50	-13.03
LEAD	28-Jun-24	193.90	193.90	191.25	191.55	-8.68

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	28-Jun-24	-2.92	11.03	Fresh Selling
ZINC	28-Jun-24	-1.54	-7.41	Long Liquidation
ALUMINIUM	28-Jun-24	-2.64	-13.03	Long Liquidation
LEAD	28-Jun-24	-1.59	-8.68	Long Liquidation

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	10431.50	10470.00	10070.50	10141.00	-3.02
Lme Zinc	3116.50	3121.00	3038.00	3066.00	-1.19
Lme Aluminium	2793.00	2803.00	2690.00	2710.00	-2.08
Lme Lead	2317.00	2325.00	2277.50	2284.00	-1.53
Lme Nickel	20600.00	20570.00	20570.00	20490.00	0.11

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	76.73	Crudeoil / Natural Gas Ratio	29.90
Gold / Crudeoil Ratio	11.13	Crudeoil / Copper Ratio	7.40
Gold / Copper Ratio	82.33	Copper / Zinc Ratio	3.23
Silver / Crudeoil Ratio	14.51	Copper / Lead Ratio	4.58
Silver / Copper Ratio	107.30	Copper / Aluminium Ratio	3.60

TECHNICAL SNAPSHOT



BUY ALUMINIUM JUN @ 242 SL 240 TGT 244-246. MCX

OBSERVATIONS

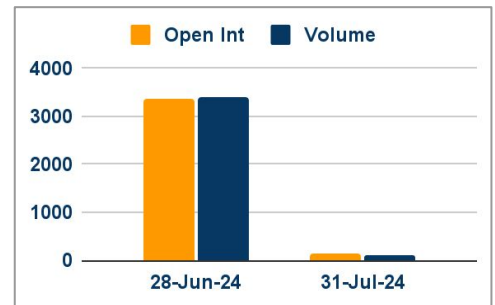
Aluminium trading range for the day is 237.3-253.1.

Aluminium dropped triggered by concerns that high interest rates are curbing metals demand

A continued inflow of "wider money" into metals, providing further support for aluminium.

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

OI & VOLUME



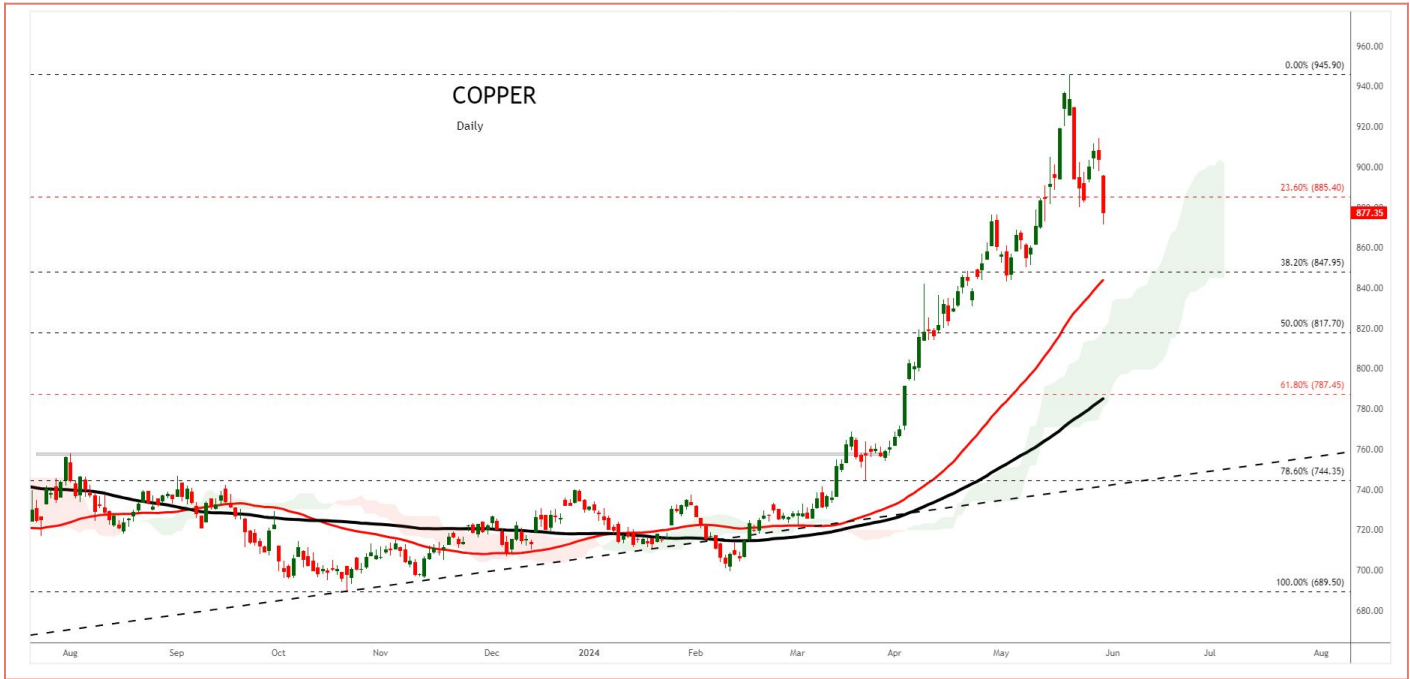
SPREAD

Commodity	Spread
ALUMINIUM JUL-JUN	1.00
ALUMINI JUN-MAY	-3.20

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	28-Jun-24	243.50	253.10	248.40	245.20	240.50	237.30
ALUMINIUM	31-Jul-24	244.50	252.70	248.70	246.30	242.30	239.90
ALUMINI	31-May-24	247.35	252.50	250.00	246.50	244.00	240.50
ALUMINI	28-Jun-24	244.15	253.30	248.70	245.70	241.10	238.10
Lme Aluminium		2710.00	2847.00	2778.00	2734.00	2665.00	2621.00

TECHNICAL SNAPSHOT



BUY COPPER JUN @ 873 SL 868 TGT 880-885. MCX

OBSERVATIONS

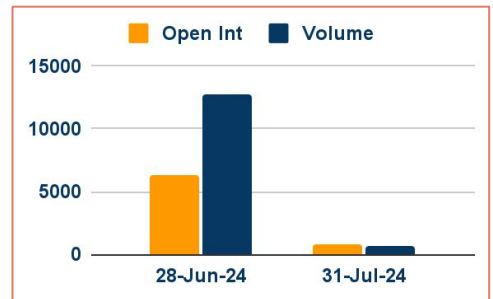
Copper trading range for the day is 856.9-906.1.

Copper dropped amid higher inventories in China amid strong output and soft physical demand.

UBS expects copper prices to reach \$11,500/mt by year-end, \$12,000/mt or above by mid-2025

Latest supply-demand estimates point to a roughly 390,000 metric tons (mt) copper deficit for both this year and 2025 - UBS.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER JUL-JUN	5.95

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	28-Jun-24	877.20	906.10	891.70	881.50	867.10	856.90
COPPER	31-Jul-24	883.15	910.50	896.90	887.30	873.70	864.10
Lme Copper		10141.00	10626.50	10383.50	10227.00	9984.00	9827.50

TECHNICAL SNAPSHOT



BUY ZINC JUN @ 270 SL 267 TGT 273-275. MCX

OBSERVATIONS

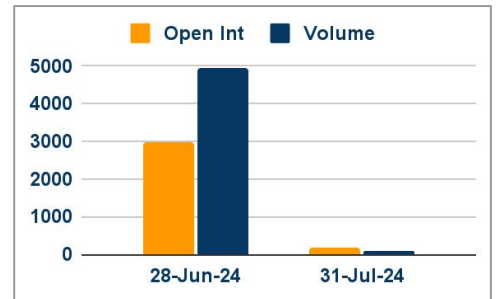
Zinc trading range for the day is 267.1-276.1.

Zinc prices dropped on profit booking after prices rose as traders continue to assess the demand outlook.

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

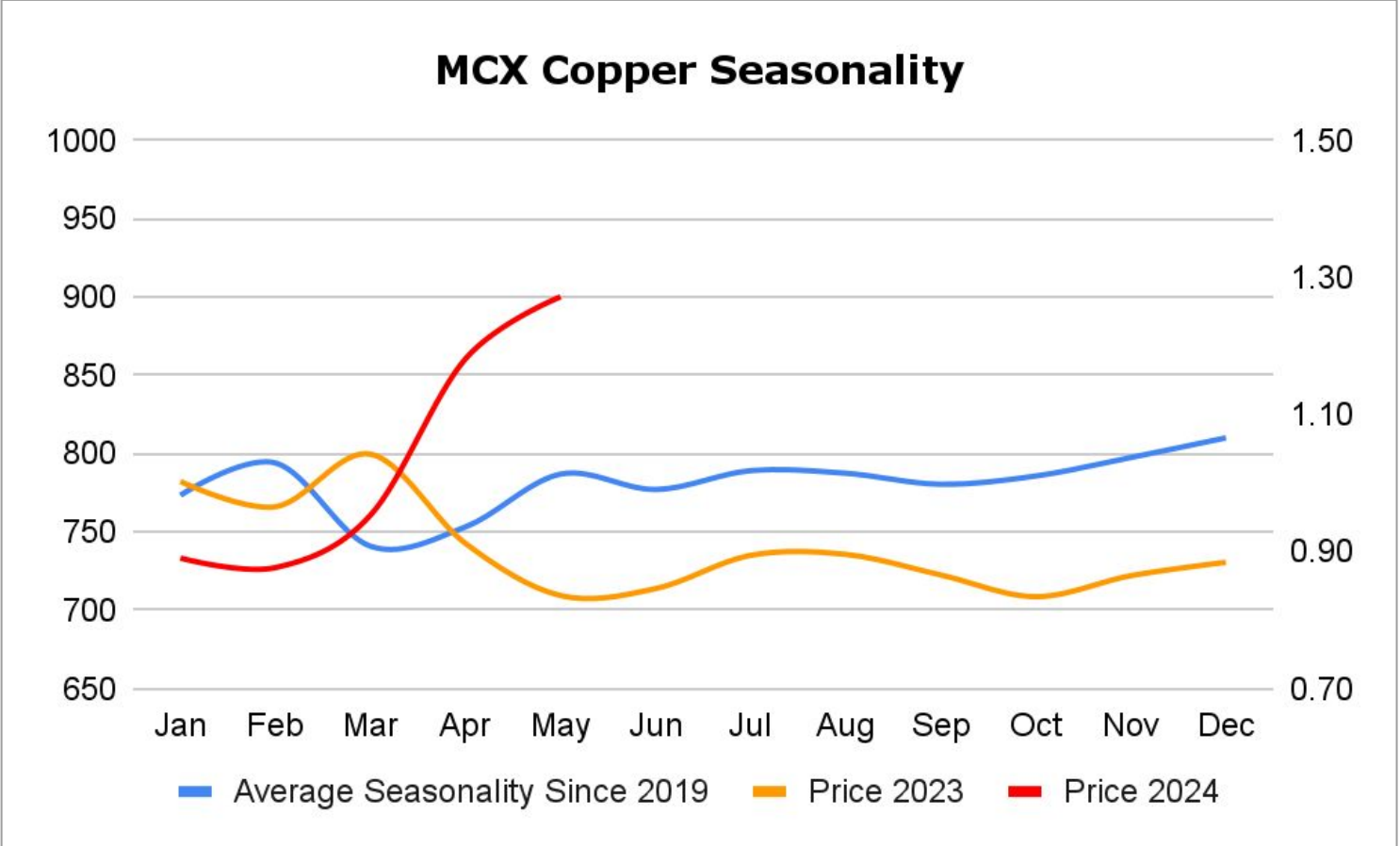
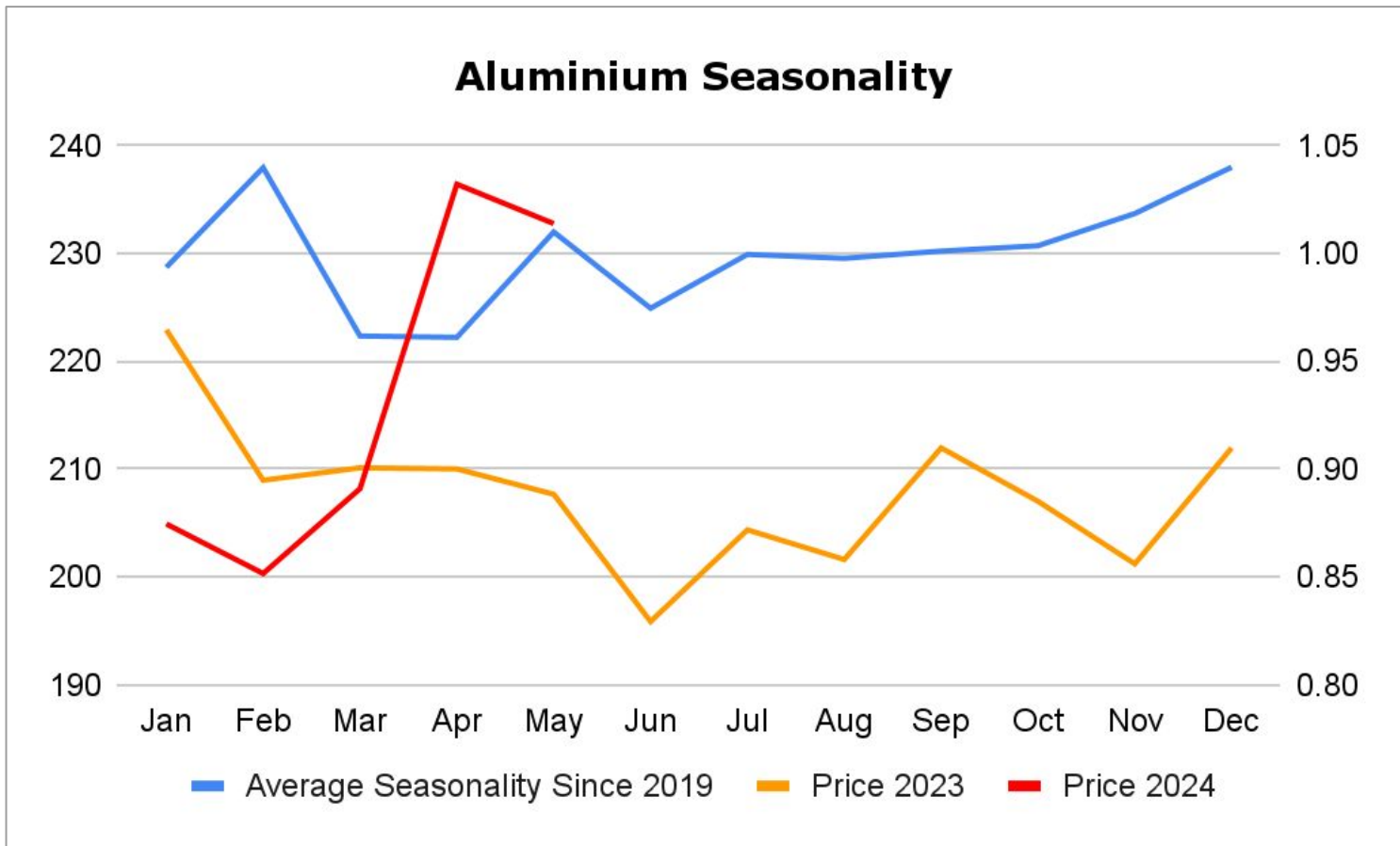


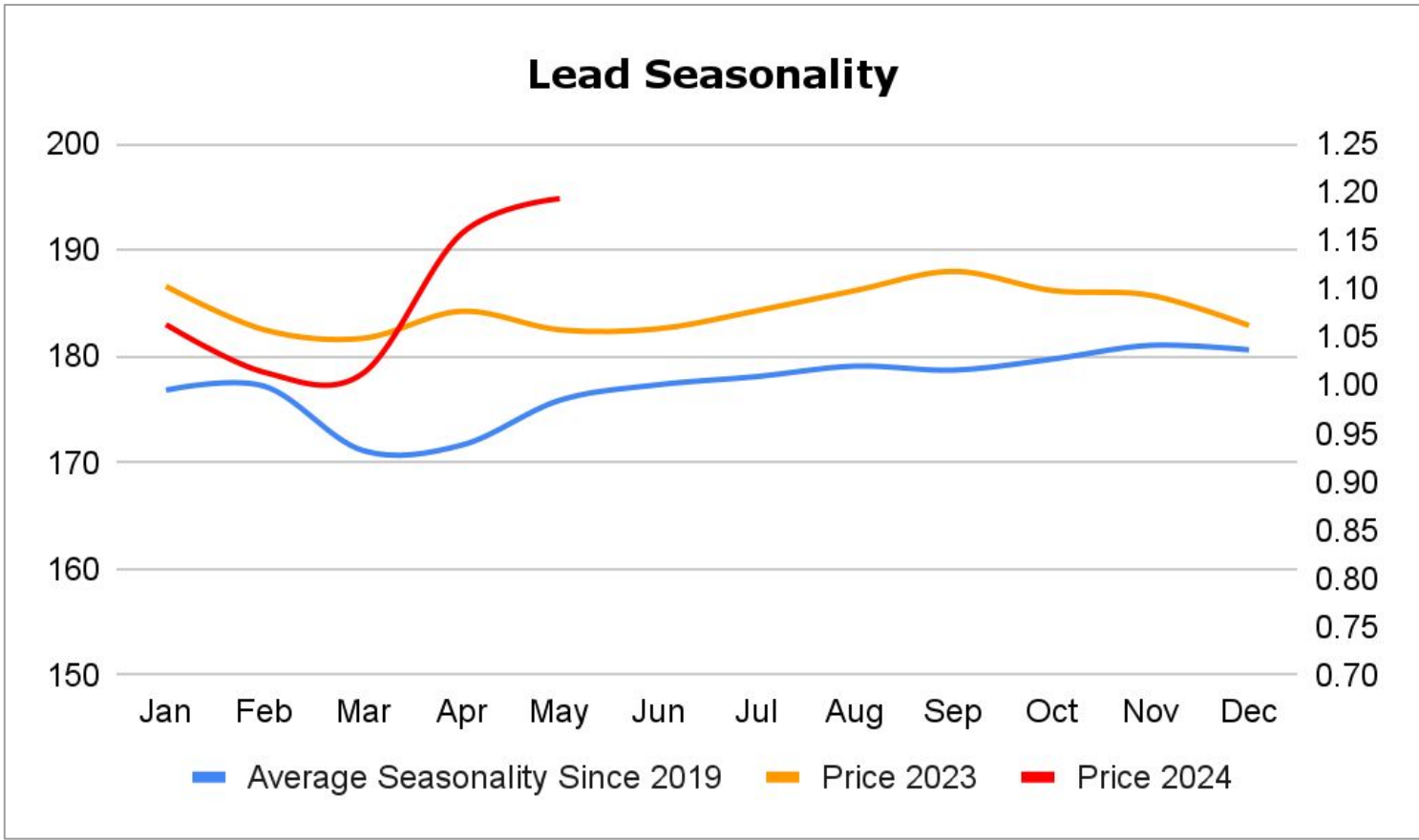
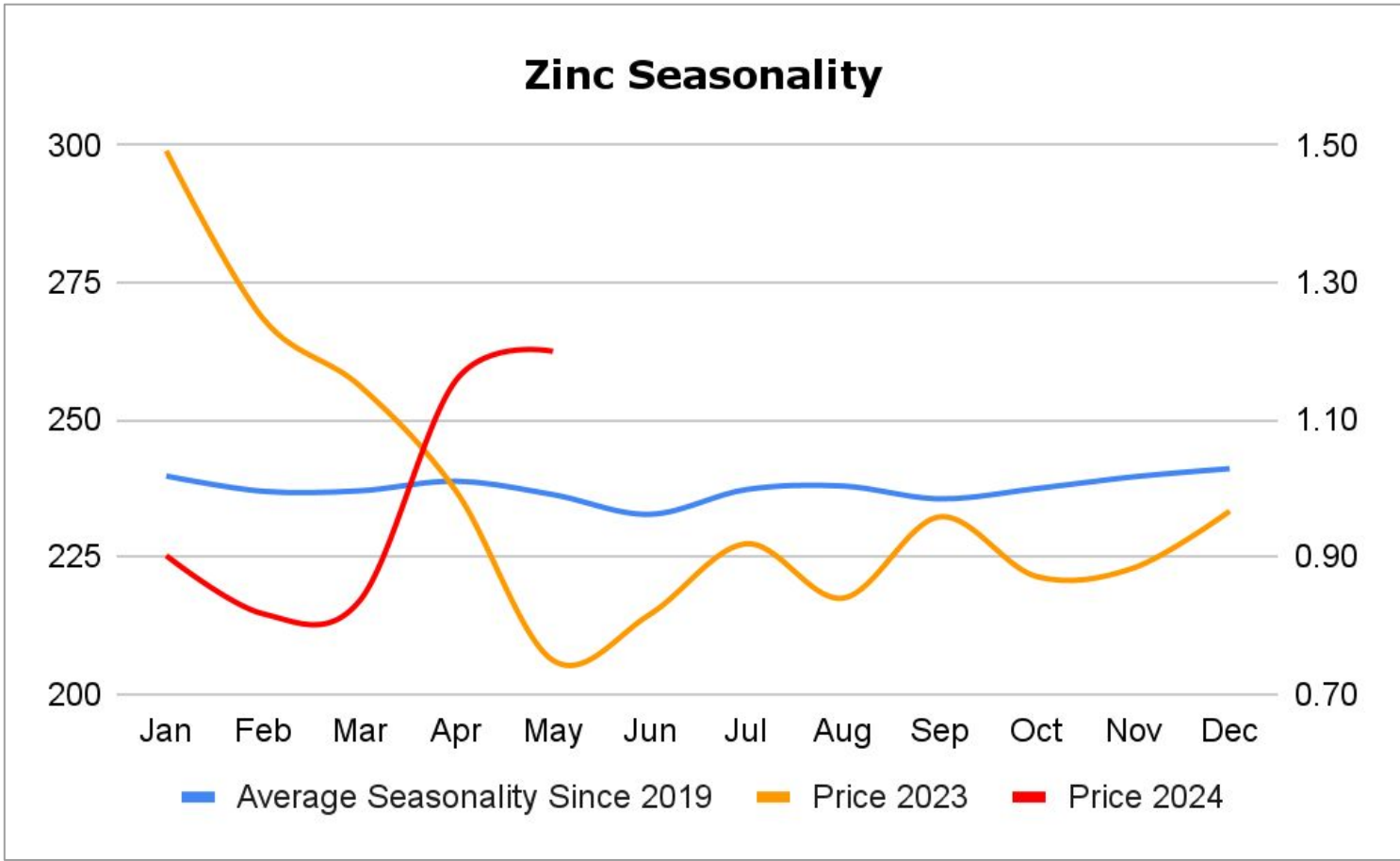
SPREAD

Commodity	Spread
ZINC JUL-JUN	0.55
ZINCMINI JUN-MAY	-0.45

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	28-Jun-24	271.50	276.10	273.80	271.60	269.30	267.10
ZINC	31-Jul-24	272.05	276.40	274.30	272.30	270.20	268.20
ZINCMINI	31-May-24	271.85	276.40	274.20	272.60	270.40	268.80
ZINCMINI	28-Jun-24	271.40	276.20	273.80	271.60	269.20	267.00
Lme Zinc		3066.00	3158.00	3112.00	3075.00	3029.00	2992.00





Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
May 27	EUR	German ifo Business Climate	May 30	USD	Goods Trade Balance
May 27	EUR	Belgian NBB Business Climate	May 30	USD	Prelim Wholesale Inventories m/m
May 28	EUR	German WPI m/m	May 30	USD	Pending Home Sales m/m
May 28	USD	S&P/CS Composite-20 HPI y/y	May 30	USD	Natural Gas Storage
May 28	USD	CB Consumer Confidence	May 30	USD	Crude Oil Inventories
May 29	EUR	German GfK Consumer Climate	May 31	EUR	German Retail Sales m/m
May 29	EUR	M3 Money Supply y/y	May 31	EUR	French Prelim CPI m/m
May 29	EUR	Private Loans y/y	May 31	EUR	French Prelim GDP q/q
May 29	USD	Richmond Manufacturing Index	May 31	EUR	Core CPI Flash Estimate y/y
May 30	EUR	Spanish Flash CPI y/y	May 31	EUR	CPI Flash Estimate y/y
May 30	EUR	Italian Monthly Unemployment Rate	May 31	EUR	Italian Prelim CPI m/m
May 30	EUR	Unemployment Rate	May 31	USD	Core PCE Price Index m/m
May 30	USD	Prelim GDP q/q	May 31	USD	Personal Income m/m

News you can Use

U.S. consumer confidence unexpectedly improved in May after deteriorating for three straight months amid optimism about the labor market, but worries about inflation persisted and many households expected higher interest rates over the next year. The mixed survey from the Conference Board also showed more consumers believed that the economy could slip into recession in the next 12 months. Nonetheless, consumers were very upbeat about the stock market and more planned to buy major household appliances over the next six months. While the economy is expected to slow this year as a result of the cumulative impact of 525 basis points worth of interest rate hikes from the Federal Reserve since March 2022 to tame inflation, economists and most business executives are not forecasting a downturn. The Conference Board said that its consumer confidence index increased to 102.0 this month from an upwardly revised 97.5 in April. Confidence remains within the relatively narrow range it has been hovering in for more than two years. The improvement was across all age groups, with consumers making annual incomes over \$100,000 posting the largest increase in confidence. On a six-month moving average basis, confidence remained highest among the under-35 age cohort and those with annual incomes of more than \$100,000.

China's economy is set to grow 5% this year, after a "strong" first quarter, the International Monetary Fund said, upgrading its earlier forecast of 4.6% expansion though it expects slower growth in the years ahead. The IMF said it had revised up both its 2024 and 2025 GDP targets by 0.4 percentage points but warned that growth in China would slow to 3.3% by 2029 due to an ageing population and slower expansion in productivity. "China's economic growth is projected to remain resilient at 5% in 2024 and slow to 4.5% in 2025," the global lender said in a statement wrapping up its annual assessment of the world's second-biggest economy for 2024. "Strong Q1 GDP data and recent policy measures" drove the upgrades, it added. China's economy grew at a faster than expected 5.3% pace year-on-year in the first quarter, comfortably above forecast for a 4.6% gain and up from a 5.2% expansion in the previous quarter. A string of recent economic indicators for April including factory output, trade and consumer prices suggest the \$18.6 trillion economy has successfully navigated some near-term downside risks, but China observers say the jury is still out on whether the bounce is sustainable.

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