



KEDIA ADVISORY

DAILY BASE METALS REPORT

7 Feb 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	29-Feb-24	716.70	718.65	715.65	717.25	1.30
ZINC	29-Feb-24	217.10	218.75	216.70	217.55	-0.77
ALUMINIUM	29-Feb-24	199.15	202.30	199.00	201.75	-2.41
LEAD	29-Feb-24	180.40	181.70	180.30	180.50	-1.92

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	29-Feb-24	0.18	1.36	Fresh Buying
ZINC	29-Feb-24	0.25	-0.77	Short Covering
ALUMINIUM	29-Feb-24	1.08	-2.41	Short Covering
LEAD	29-Feb-24	0.14	-1.92	Short Covering

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	8377.00	8425.00	8365.50	8397.00	0.45
Lme Zinc	2427.00	2444.50	2420.00	2432.00	0.50
Lme Aluminium	2212.00	2242.50	2204.00	2230.00	0.79
Lme Lead	2121.50	2140.50	2114.00	2119.00	0.24
Lme Nickel	16100.00	16075.00	16075.00	16020.00	-1.32

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	88.64	Crudeoil / Natural Gas Ratio	35.75
Gold / Crudeoil Ratio	10.29	Crudeoil / Copper Ratio	8.48
Gold / Copper Ratio	87.24	Copper / Zinc Ratio	3.30
Silver / Crudeoil Ratio	11.60	Copper / Lead Ratio	3.97
Silver / Copper Ratio	98.42	Copper / Aluminium Ratio	3.56

TECHNICAL SNAPSHOT



BUY ALUMINIUM FEB @ 201 SL 199 TGT 203-204. MCX

OBSERVATIONS

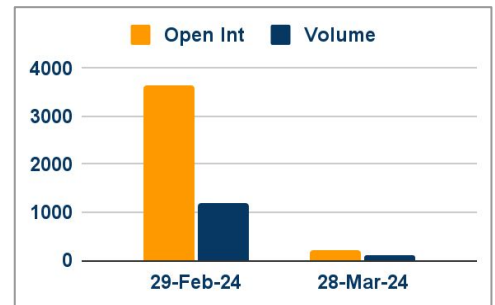
Aluminium trading range for the day is 197.7-204.3.

Aluminium gains as efforts by China to stabilise its markets.

China's export of aluminium covered by EU carbon tax down 30% in 2023

Japan's imports of primary aluminium fell 26% to 1.03 million metric tons in 2023

OI & VOLUME



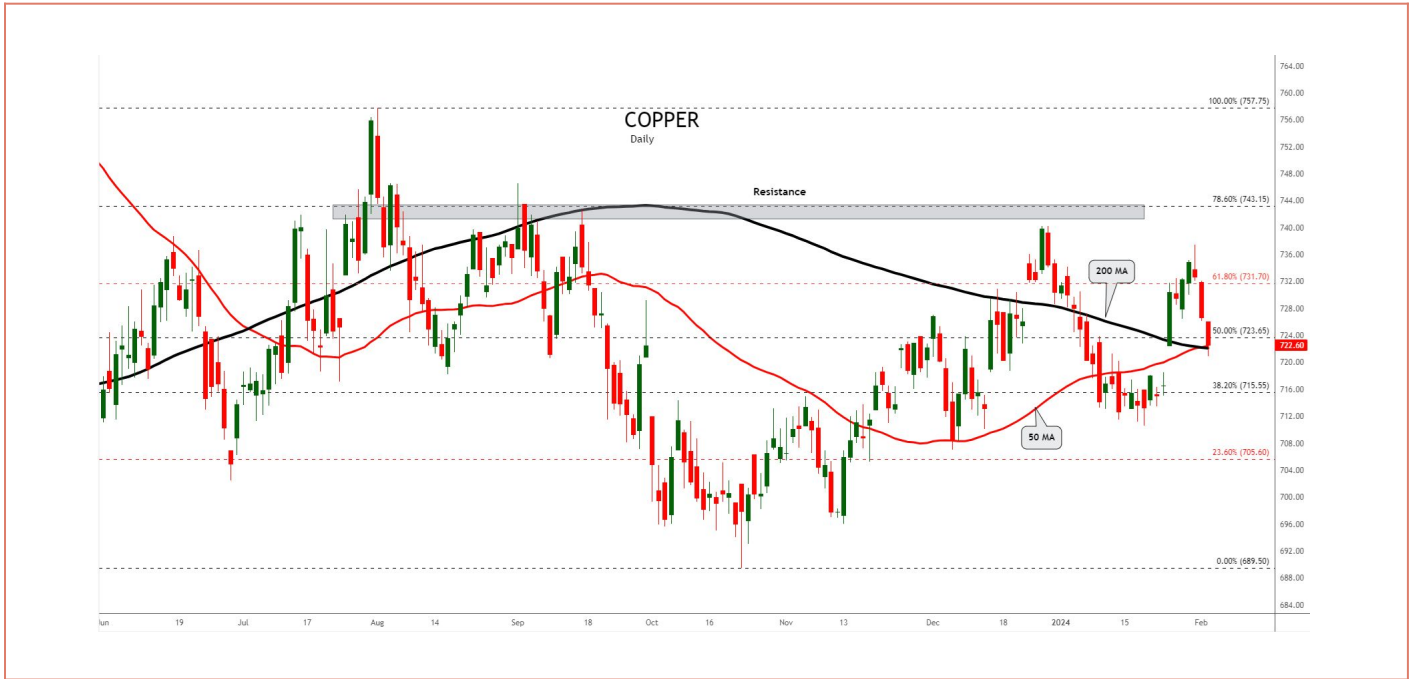
SPREAD

Commodity	Spread
ALUMINIUM MAR-FEB	2.30
ALUMINI MAR-FEB	2.35

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	29-Feb-24	201.75	204.30	203.00	201.00	199.70	197.70
ALUMINIUM	28-Mar-24	204.05	206.20	205.20	203.50	202.50	200.80
ALUMINI	29-Feb-24	201.70	204.10	203.00	201.20	200.10	198.30
ALUMINI	28-Mar-24	204.05	206.50	205.30	203.40	202.20	200.30
Lme Aluminium		2230.00	2264.50	2248.00	2226.00	2209.50	2187.50

TECHNICAL SNAPSHOT



SELL COPPER FEB @ 714 SL 710 TGT 718-722. MCX

OBSERVATIONS

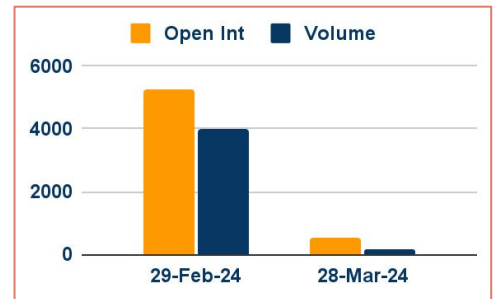
Copper trading range for the day is 714.2-720.2.

Copper gains due to hopes for more supportive measures from China.

China's central bank conducted reverse repos and reduced the reserve requirement ratio.

Copper inventories in LME-registered warehouses are at five-month lows.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER MAR-FEB	6.30

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	29-Feb-24	717.25	720.20	718.80	717.20	715.80	714.20
COPPER	28-Mar-24	723.55	725.90	724.70	723.70	722.50	721.50
Lme Copper		8397.00	8455.50	8426.50	8396.00	8367.00	8336.50

TECHNICAL SNAPSHOT



BUY ZINC FEB @ 216 SL 213 TGT 219-222. MCX

OBSERVATIONS

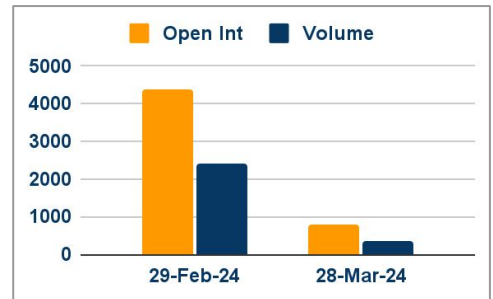
Zinc trading range for the day is 215.7-219.7.

Zinc gains as Russian new zinc mine delays start of concentrate production until at least Q3

Global zinc supplies for this year are estimated at around 14 million tons

The global zinc market deficit increased to 71,600 metric tons in November 2023 from a deficit of 62,500 tons in October

OI & VOLUME



SPREAD

Commodity	Spread
ZINC MAR-FEB	1.35
ZINCMINI MAR-FEB	1.30

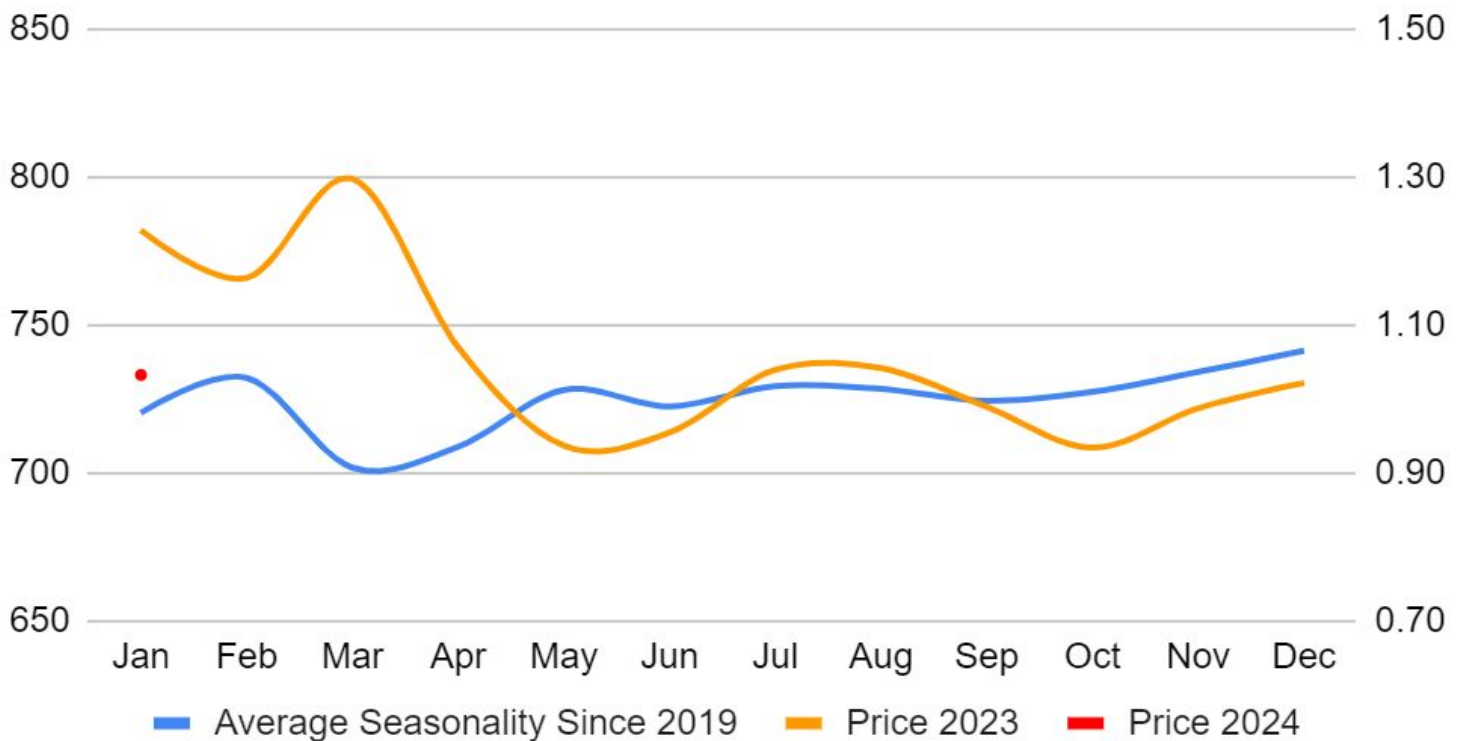
TRADING LEVELS

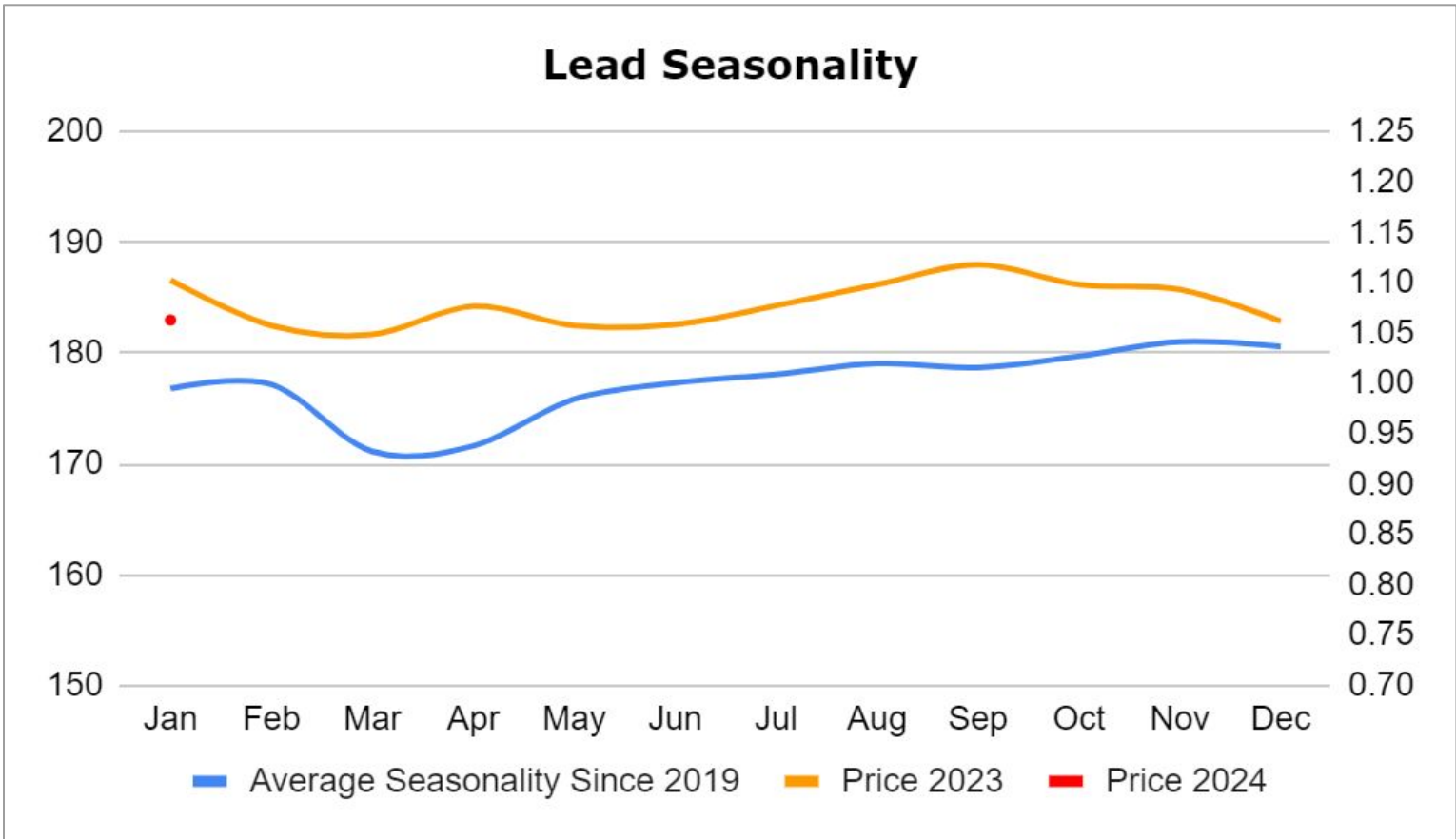
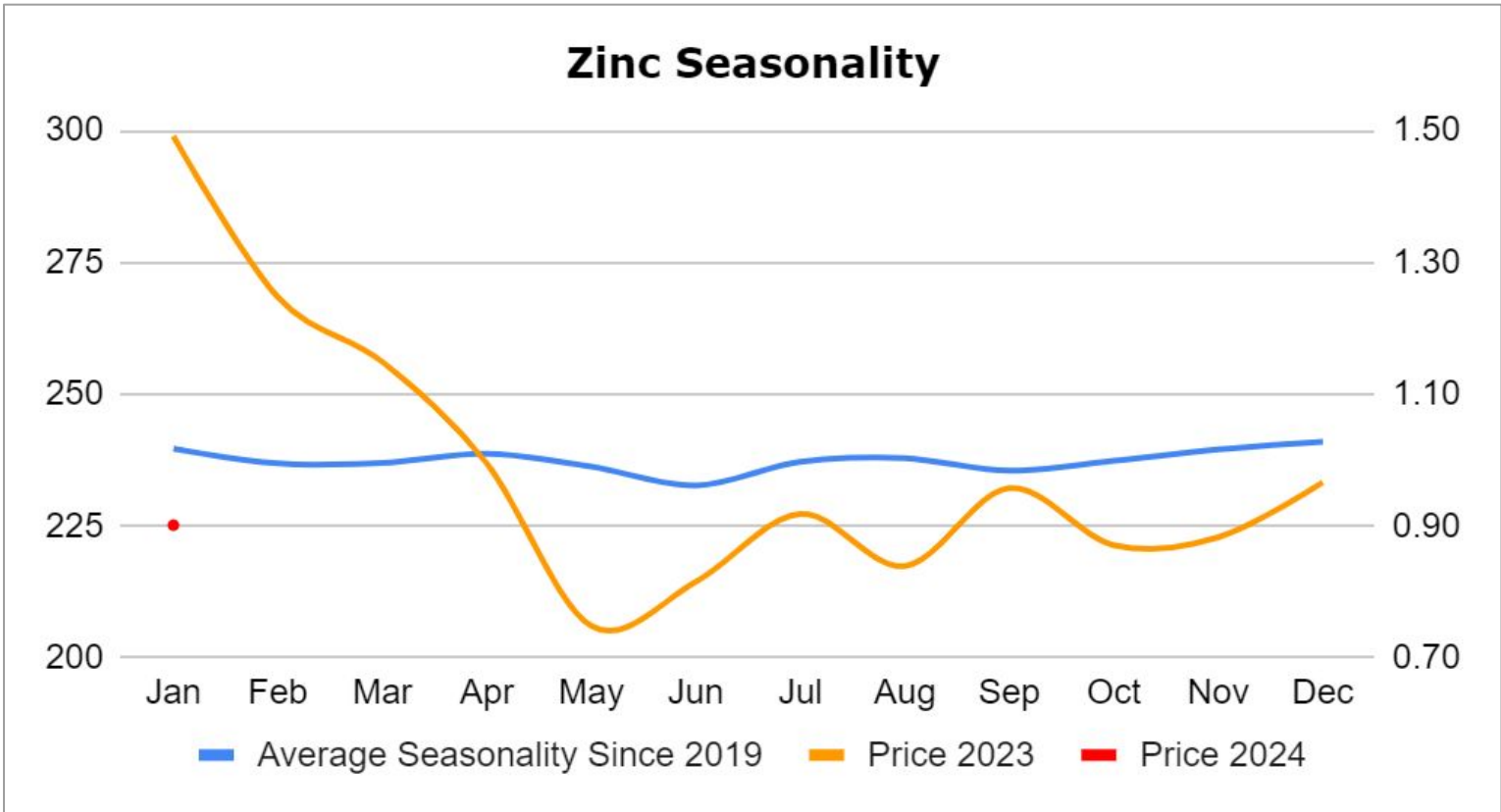
Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	29-Feb-24	217.55	219.70	218.70	217.70	216.70	215.70
ZINC	28-Mar-24	218.90	221.00	220.00	219.00	218.00	217.00
ZINCMINI	29-Feb-24	217.65	220.20	219.00	217.60	216.40	215.00
ZINCMINI	28-Mar-24	218.95	221.10	220.10	219.10	218.10	217.10
Lme Zinc		2432.00	2456.50	2444.00	2432.00	2419.50	2407.50

Aluminium Seasonality



Copper Seasonality





Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
Feb 5	EUR	German Trade Balance	Feb 7	EUR	Italian Retail Sales m/m
Feb 5	EUR	Spanish Services PMI	Feb 7	USD	Trade Balance
Feb 5	EUR	Italian Services PMI	Feb 7	USD	Crude Oil Inventories
Feb 5	EUR	French Final Services PMI	Feb 7	USD	FOMC Member Kugler Speaks
Feb 5	EUR	German Final Services PMI	Feb 7	USD	FOMC Member Barkin Speaks
Feb 5	EUR	Final Services PMI	Feb 7	USD	10-y Bond Auction
Feb 5	EUR	Sentix Investor Confidence	Feb 8	EUR	ECB Economic Bulletin
Feb 5	EUR	PPI m/m	Feb 8	USD	Unemployment Claims
Feb 5	USD	Final Services PMI	Feb 8	USD	FOMC Member Barkin Speaks
Feb 5	USD	ISM Services PMI	Feb 8	USD	Final Wholesale Inventories m/m
Feb 6	EUR	German Factory Orders m/m	Feb 8	USD	Natural Gas Storage
Feb 6	EUR	Retail Sales m/m	Feb 8	USD	FOMC Member Barkin Speaks
Feb 6	USD	FOMC Member Mester Speaks	Feb 8	USD	30-y Bond Auction

News you can Use

The S&P Global US Composite PMI for January 2024 stood at 52.0, little-changed from the preliminary estimate of 52.3 and an increase from December's 50.9. This latest reading indicates a modest uptick in business activity, marking the most significant increase since July 2023, driven by a faster rise in service sector output. The S&P Global US Services PMI was revised lower to 52.5 in January of 2024 from a preliminary of 52.9, but continued to point to the strongest growth in the services sector in seven months. New orders increased faster, amid improved demand conditions in the domestic market and as new export orders rose the most since August 2023. Subsequently, firms expressed increased optimism regarding the outlook for output over the next year, and continued to expand their staffing numbers. The ISM Services PMI for the US jumped to 53.4 in January 2024 from 50.5 in December, beating forecasts of 52. The reading pointed to the strongest growth in the services sector in four months, led by new orders (55 vs 52.8), employment (50.5 vs 43.8) and supplier deliveries (52.4 vs 49.5).

The U.S. services sector growth picked up in January as new orders increased and employment rebounded, but suppliers appeared to fall behind, resulting in a measure of input prices rising to an 11-month high. The Institute for Supply Management (ISM) said that its non-manufacturing PMI increased to 53.4 last month from 50.5 in December. The report added to January's blowout employment gains in suggesting that economic growth momentum from the fourth quarter spilled over into the new year. It also further diminished the chances of an interest rate cut in March. The Federal Reserve left interest rates unchanged last week, but Chair Jerome Powell told reporters that rates had peaked. Since March 2022, the U.S. central bank has raised its policy rate by 525 basis points to the current 5.25% to 5.50% range. After initially surging as Americans resumed normal lives following COVID-19 lockdowns, spending on services has been trailing outlays on goods. But the pace has been strong enough to keep inflation elevated. A measure of new orders received by services businesses rose to 55.0 last month from 52.8 in December. There was a jump in export order growth.

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