

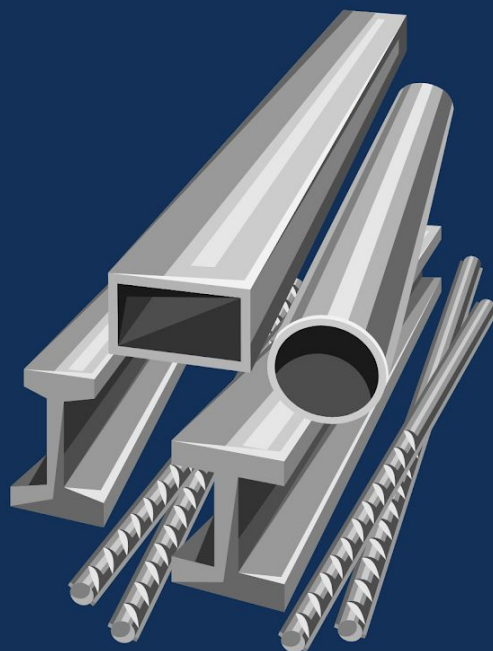


**KEDIA** ADVISORY

# DAILY BASE METALS REPORT

15 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	31-May-24	885.05	891.00	873.00	884.20	0.70
ZINC	31-May-24	264.50	265.95	263.00	264.00	-6.08
ALUMINIUM	31-May-24	232.85	234.25	231.55	233.95	-15.58
LEAD	31-May-24	194.85	195.45	194.25	195.00	-7.67

## Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	31-May-24	0.08	-2.35	Short Covering
ZINC	31-May-24	-0.45	-6.08	Long Liquidation
ALUMINIUM	31-May-24	0.54	-15.58	Short Covering
LEAD	31-May-24	0.05	-7.67	Short Covering

## International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	10226.00	10268.00	10055.00	10089.00	-1.19
Lme Zinc	3004.00	3014.50	2966.00	2992.00	-0.33
Lme Aluminium	2554.00	2560.00	2523.50	2555.50	0.18
Lme Lead	2253.50	2276.00	2247.00	2271.00	0.80
Lme Nickel	19007.50	19273.00	18967.00	19171.00	0.19

## Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	84.64	Crudeoil / Natural Gas Ratio	32.94
Gold / Crudeoil Ratio	11.10	Crudeoil / Copper Ratio	7.36
Gold / Copper Ratio	81.77	Copper / Zinc Ratio	3.35
Silver / Crudeoil Ratio	13.12	Copper / Lead Ratio	4.53
Silver / Copper Ratio	96.60	Copper / Aluminium Ratio	3.78

## TECHNICAL SNAPSHOT



**BUY ALUMINIUM MAY @ 232.5 SL 230.5 TGT 235-237. MCX**

### OBSERVATIONS

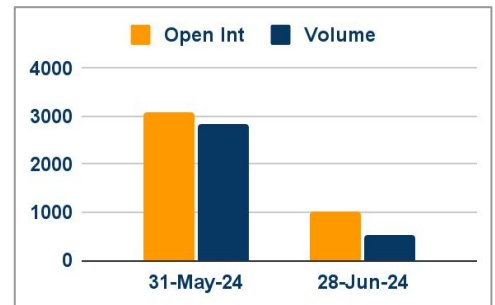
Aluminium trading range for the day is 230.6-236.

Aluminium gains on short covering after prices dropped as LME stocks surge to highest since October 2021

Aluminium stocks jumped by a further 131,075 tons to 1,033,625, their highest level since October 2021 and a gain of 115% since last week.

The fresh inflows moved into storage facilities in Port Klang in Malaysia, the same location where last week's inventories arrived.

### OI & VOLUME



### SPREAD

Commodity	Spread
ALUMINIUM JUN-MAY	-0.25
ALUMINI JUN-MAY	-0.25

### TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	31-May-24	233.95	236.00	235.10	233.30	232.40	230.60
ALUMINIUM	28-Jun-24	233.70	236.10	234.90	233.30	232.10	230.50
ALUMINI	31-May-24	234.65	236.60	235.70	234.10	233.20	231.60
ALUMINI	28-Jun-24	234.40	236.70	235.50	234.00	232.80	231.30
Lme Aluminium		2555.50	2582.50	2568.50	2546.00	2532.00	2509.50

**TECHNICAL SNAPSHOT**



**BUY COPPER MAY @ 882 SL 878 TGT 888-892. MCX**

**OBSERVATIONS**

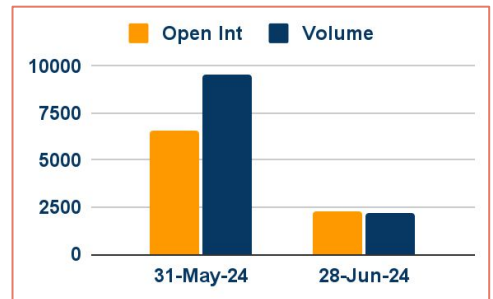
Copper trading range for the day is 864.7-900.7.

Copper rose as strong demand and tight supply continued to raise concerns of shortages.

China imported more copper ore inputs despite the sharp increase in prices, underpinning demand from manufacturers.

The low availability of material hampered margins for smelters in China, responsible for over half of global supply

**OI & VOLUME**



**SPREAD**

Commodity	Spread
COPPER JUN-MAY	6.05

**TRADING LEVELS**

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	31-May-24	884.20	900.70	892.40	882.70	874.40	864.70
COPPER	28-Jun-24	890.25	900.50	895.40	892.20	887.10	883.90
Lme Copper		10089.00	10350.00	10219.00	10137.00	10006.00	9924.00

## TECHNICAL SNAPSHOT



**BUY ZINC MAY @ 263 SL 260 TGT 266-268. MCX**

### OBSERVATIONS

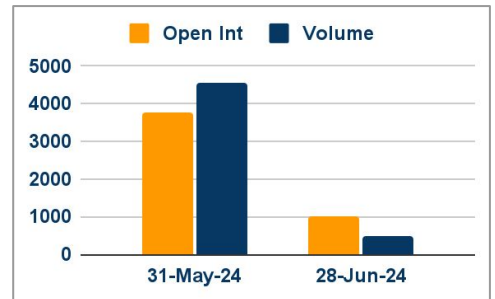
Zinc trading range for the day is 261.4-267.2.

Zinc dropped amid decision by Swedish mining giant Boliden to resume production at its Tara zinc mine.

The global zinc market surplus widened to 40,100 metric tons in February from 12,300 tons in January.

Social inventories of zinc ingots across seven major markets in China totalled 212,900 mt, up 1,300 mt

### OI & VOLUME



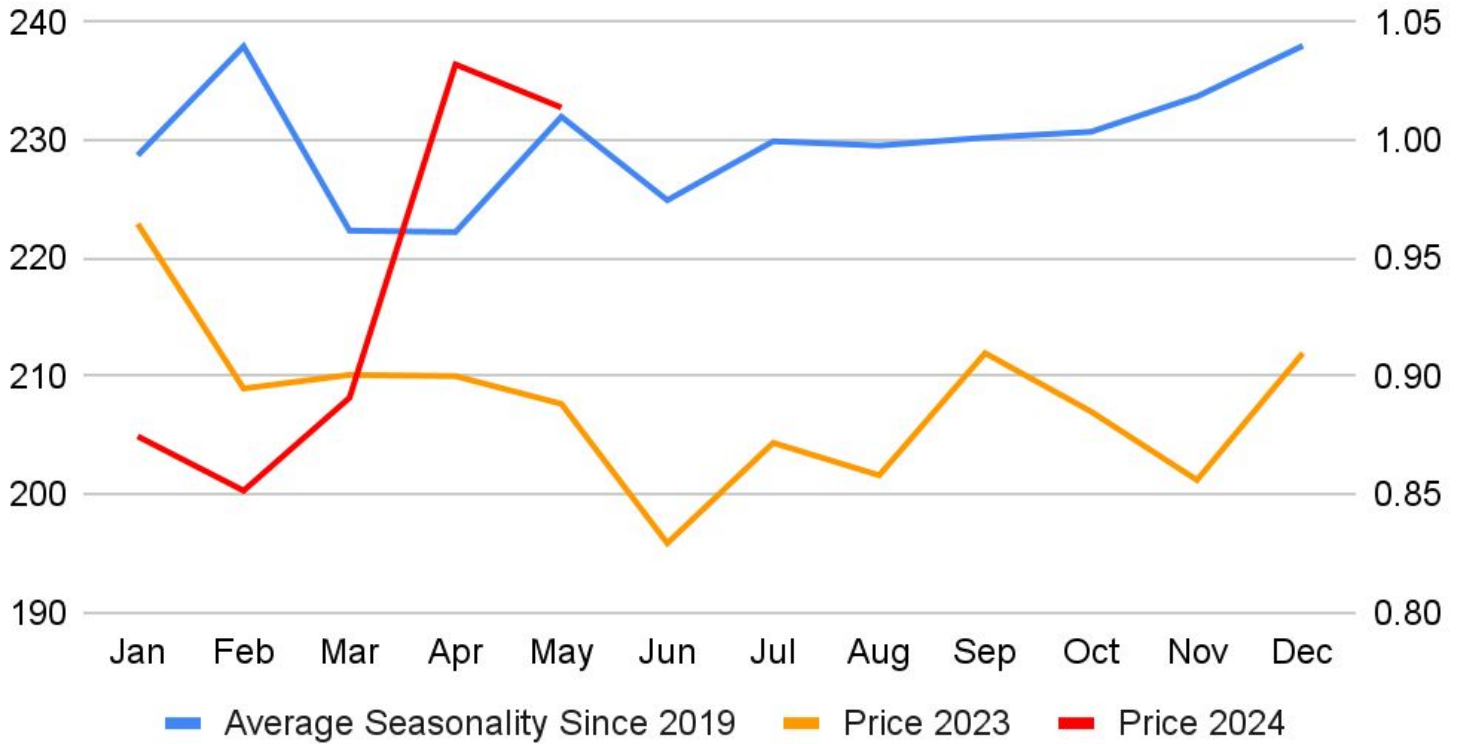
### SPREAD

Commodity	Spread
ZINC JUN-MAY	1.00
ZINCMINI JUN-MAY	1.20

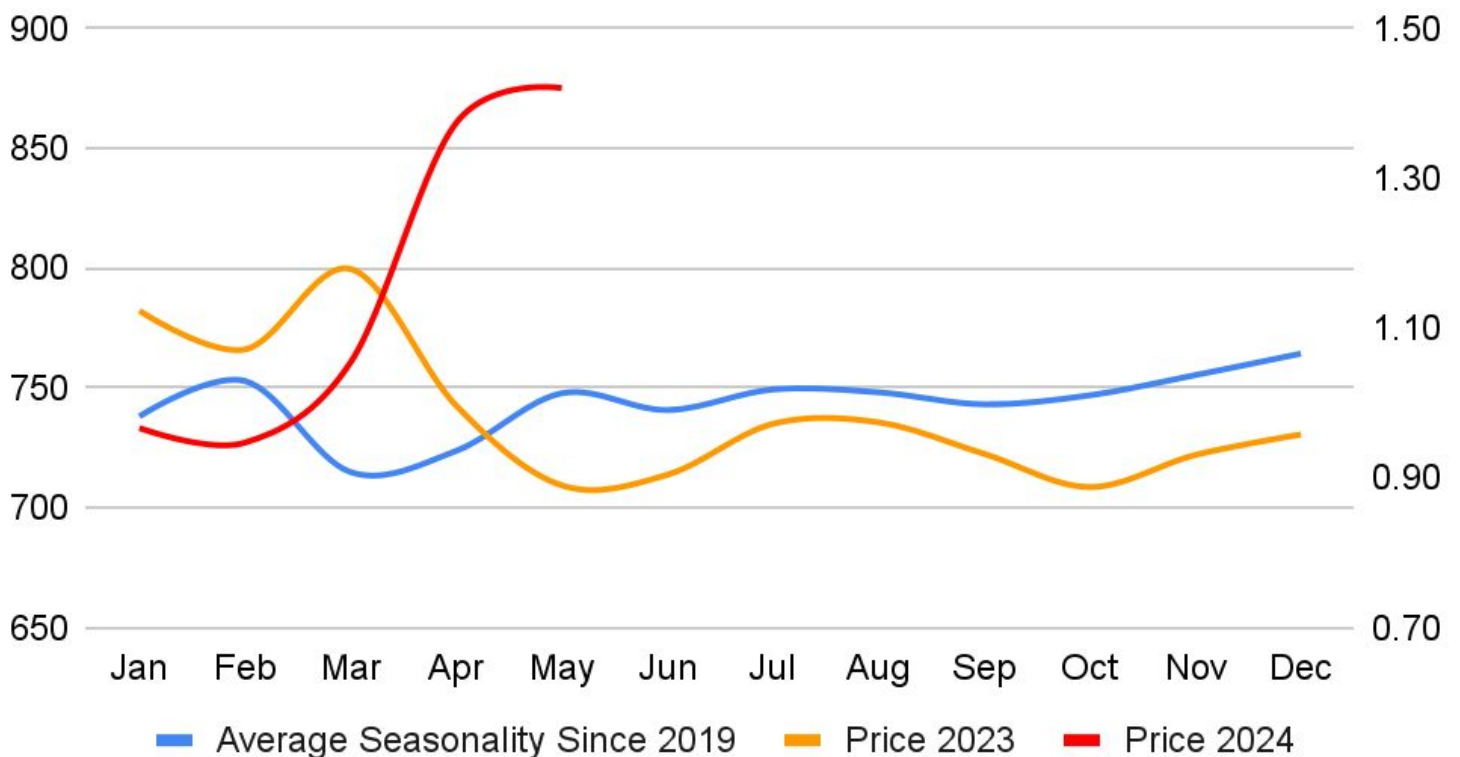
### TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	31-May-24	264.00	267.20	265.60	264.30	262.70	261.40
ZINC	28-Jun-24	265.00	268.10	266.60	265.40	263.90	262.70
ZINCMINI	31-May-24	263.85	266.80	265.30	264.20	262.70	261.60
ZINCMINI	28-Jun-24	265.05	268.00	266.50	265.30	263.80	262.60
Lme Zinc		2992.00	3039.50	3016.00	2991.00	2967.50	2942.50

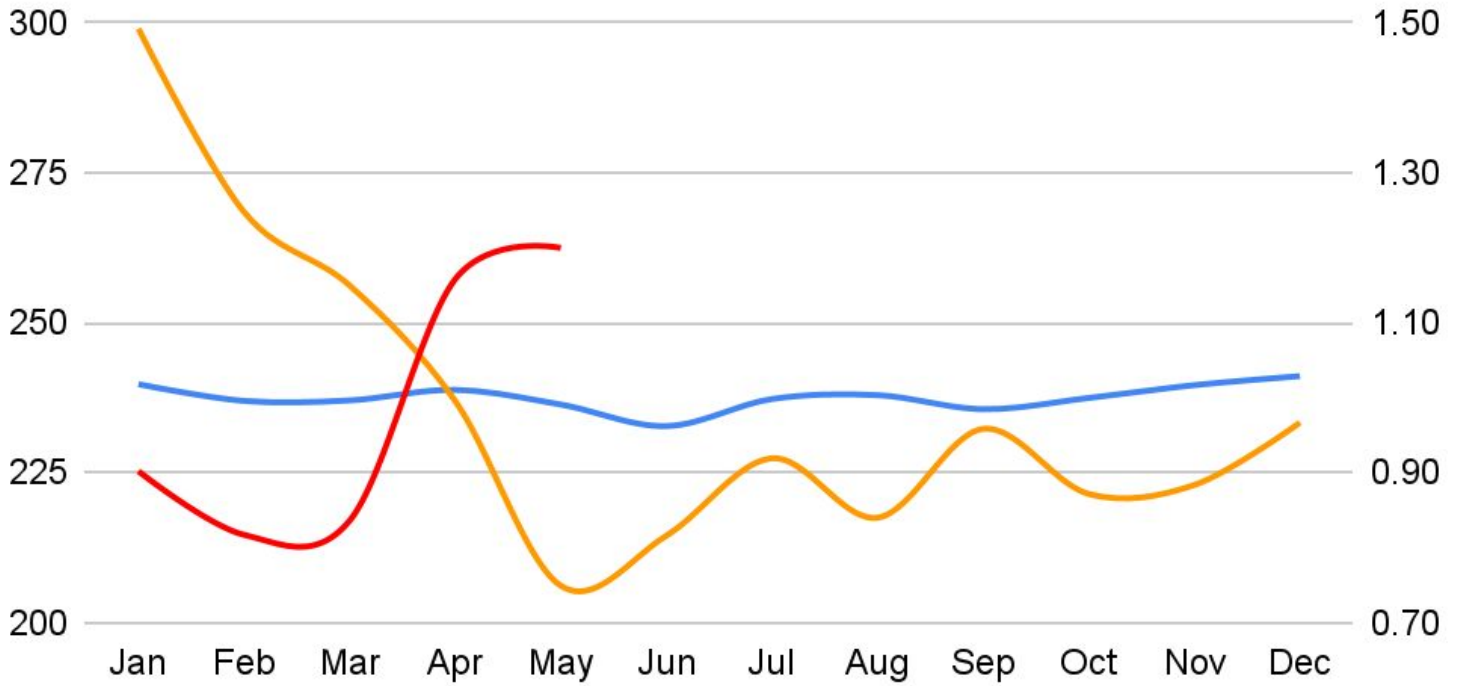
### Aluminium Seasonality



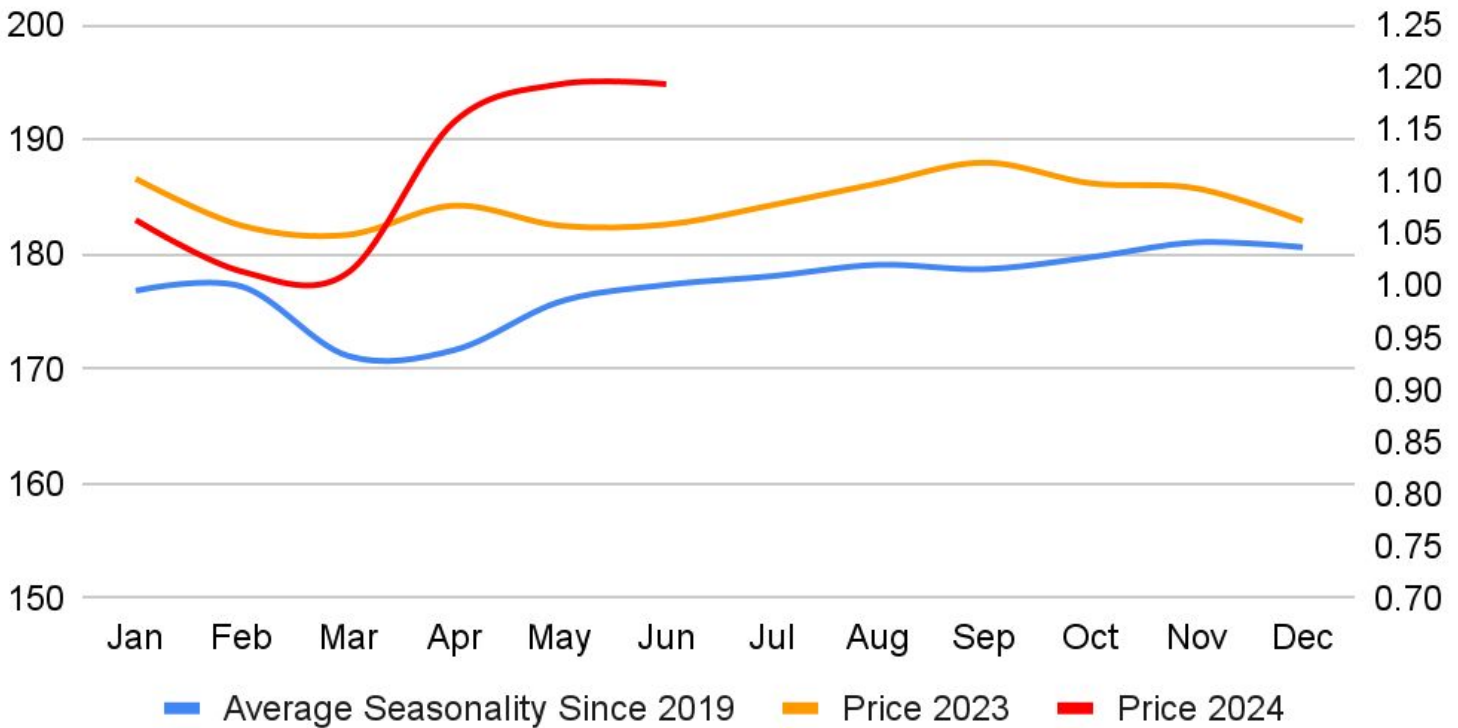
### Copper Seasonality



### Zinc Seasonality



### Lead Seasonality



— Average Seasonality Since 2019 — Price 2023 — Price 2024

## Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
May 13	EUR	EU Economic Forecasts	May 15	USD	Business Inventories m/m
May 14	EUR	ZEW Economic Sentiment	May 15	USD	NAHB Housing Market Index
May 14	EUR	German ZEW Economic Sentiment	May 15	USD	Crude Oil Inventories
May 14	USD	Core PPI m/m	May 16	EUR	Italian Trade Balance
May 14	USD	PPI m/m	May 16	USD	Unemployment Claims
May 15	EUR	French Final CPI m/m	May 16	USD	Building Permits
May 15	EUR	Flash Employment Change q/q	May 16	USD	Philly Fed Manufacturing Index
May 15	EUR	Flash GDP q/q	May 16	USD	Housing Starts
May 15	EUR	Industrial Production m/m	May 16	USD	Import Prices m/m
May 15	USD	Core CPI m/m	May 16	USD	Industrial Production m/m
May 15	USD	Core Retail Sales m/m	May 16	USD	Capacity Utilization Rate
May 15	USD	CPI m/m	May 16	USD	Natural Gas Storage
May 15	USD	CPI y/y	May 17	EUR	Final Core CPI y/y

## News you can Use

Debate over whether U.S. interest rates are high enough deepened among Federal Reserve officials this week, and may be stoked further after a key survey showed a jump in consumers' inflation expectations. "There are ... important upside risks to inflation that are on my mind, and I think there's also uncertainties about how restrictive policy is and whether it's sufficiently restrictive" to return inflation to the U.S. central bank's 2% target, Dallas Fed President Lorie Logan said. "I think it's just too early to think about cutting rates ... I think I need to see some of these uncertainties resolved about the path that we're on, and we need to remain very flexible," Logan said, though she did not directly address whether she feels the Fed may need to again raise its benchmark policy rate from the 5.25%-5.50% range that has been maintained since July. Minneapolis Fed President Neel Kashkari said he's in a "wait-and-see mode" in regards to what's next for central bank policy and the Fed can stay at current rates "as long as needed" to bring inflation down. But he added there is a "high" bar to concluding that higher rates are needed to cool inflation.

Average weekly earnings including bonuses in the UK increased 5.7% year-on-year to GBP 682/week in the three months to March 2024, the same as an upwardly revised 5.7% in the previous period and above forecasts of 5.3%. Adjusted for inflation, wage growth in real terms was steady at 1.7% for total pay including bonuses and increased to 2% for regular pay excluding bonuses. The number of payrolled employees in the United Kingdom fell by 85 thousand, or 0.3% to 30.2 million in April 2024, following a revised 5 thousand drop in the previous month. The United Kingdom's unemployment rate rose to 4.3% from January 2023 to March 2024, slightly up from 4.2% in the three months to December and in line with market expectations. The number of unemployed individuals rose by 46,000 to a total of 1.49 million, driven by those unemployed for over 6 and up to 12 months and those over 12 months. Meanwhile, the number of employed individuals went up by 17,000 to 33.0 million, primarily due to a rise in full-time employees. On the other hand, the number of part-time employees decreased during the quarter. Lastly, the economic inactivity rate fell by 0.1 percentage point to 22.1%.



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