



KEDIA ADVISORY

DAILY BASE METALS REPORT

20 Feb 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	29-Feb-24	720.05	722.50	718.70	720.15	-3.05
ZINC	29-Feb-24	214.20	216.50	213.75	215.75	-13.85
ALUMINIUM	29-Feb-24	199.20	199.25	196.90	197.45	1.10
LEAD	29-Feb-24	178.60	178.65	176.85	177.45	-2.12

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	29-Feb-24	-0.42	-11.31	Long Liquidation
ZINC	29-Feb-24	0.68	-13.85	Short Covering
ALUMINIUM	29-Feb-24	-0.80	1.10	Fresh Selling
LEAD	29-Feb-24	-0.81	-2.12	Long Liquidation

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	8446.50	8466.00	8418.50	8428.00	-0.72
Lme Zinc	2385.00	2408.50	2367.00	2406.00	0.88
Lme Aluminium	2214.50	2228.50	2191.50	2198.00	-0.90
Lme Lead	2055.00	2059.00	2033.00	2039.00	-1.21
Lme Nickel	16350.00	16400.00	16325.00	16356.00	0.60

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	86.95	Crudeoil / Natural Gas Ratio	50.14
Gold / Crudeoil Ratio	9.51	Crudeoil / Copper Ratio	9.05
Gold / Copper Ratio	86.10	Copper / Zinc Ratio	3.34
Silver / Crudeoil Ratio	10.94	Copper / Lead Ratio	4.06
Silver / Copper Ratio	99.02	Copper / Aluminium Ratio	3.65

TECHNICAL SNAPSHOT



BUY ALUMINIUM FEB @ 197 SL 195 TGT 199-201. MCX

OBSERVATIONS

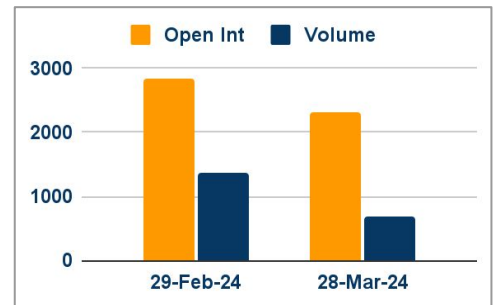
Aluminium trading range for the day is 195.6-200.2.

Aluminium dropped after inflation data cast doubts on when Fed would begin to ease interest rates

PBOC kept the rate of CNY 500 billion worth of one-year policy loans to some financial institutions, at 2.5%.

China's current account surplus sharply decreased to USD 55.2 billion in Q4 of 2023

OI & VOLUME



SPREAD

Commodity	Spread
ALUMINIUM MAR-FEB	2.60
ALUMINI MAR-FEB	2.45

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	29-Feb-24	197.45	200.20	198.90	197.90	196.60	195.60
ALUMINIUM	28-Mar-24	200.05	203.00	201.50	200.50	199.00	198.00
ALUMINI	29-Feb-24	197.70	200.10	198.90	198.00	196.80	195.90
ALUMINI	28-Mar-24	200.15	202.90	201.60	200.70	199.40	198.50
Lme Aluminium		2198.00	2243.00	2220.50	2206.00	2183.50	2169.00

TECHNICAL SNAPSHOT



BUY COPPER FEB @ 718 SL 714 TGT 722-725. MCX

OBSERVATIONS

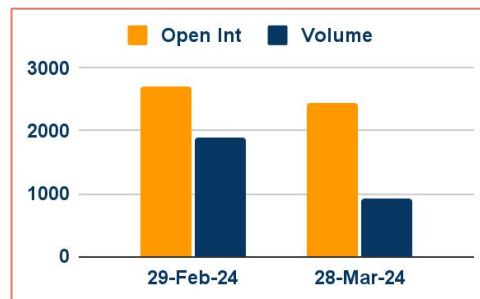
Copper trading range for the day is 716.7-724.3.

Copper slipped after China's central bank held policy rates on medium term loans

Copper stocks in LME registered warehouses at 128,300 have dropped nearly 25% since late December

Outflows have helped narrow the discount for the cash over the three-month copper contract.

OI & VOLUME



SPREAD

Commodity	Spread
COPPER MAR-FEB	6.30

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	29-Feb-24	720.15	724.30	722.30	720.50	718.50	716.70
COPPER	28-Mar-24	726.45	730.20	728.40	726.60	724.80	723.00
Lme Copper		8428.00	8485.50	8457.50	8438.00	8410.00	8390.50

TECHNICAL SNAPSHOT



BUY ZINC FEB @ 214 SL 212 TGT 217-219. MCX

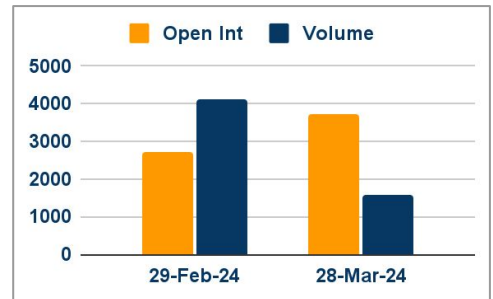
OBSERVATIONS

Zinc trading range for the day is 212.5-218.1.

Zinc gains as Russian new Ozernoye mine has delayed the start of production

The discount for the cash over the three-month zinc contract has widened to four-month highs due to recent large inflows into LME warehouses. Construction activity in China is expected to increase in coming weeks

OI & VOLUME



SPREAD

Commodity	Spread
ZINC MAR-FEB	-1.05
ZINCMINI MAR-FEB	-1.15

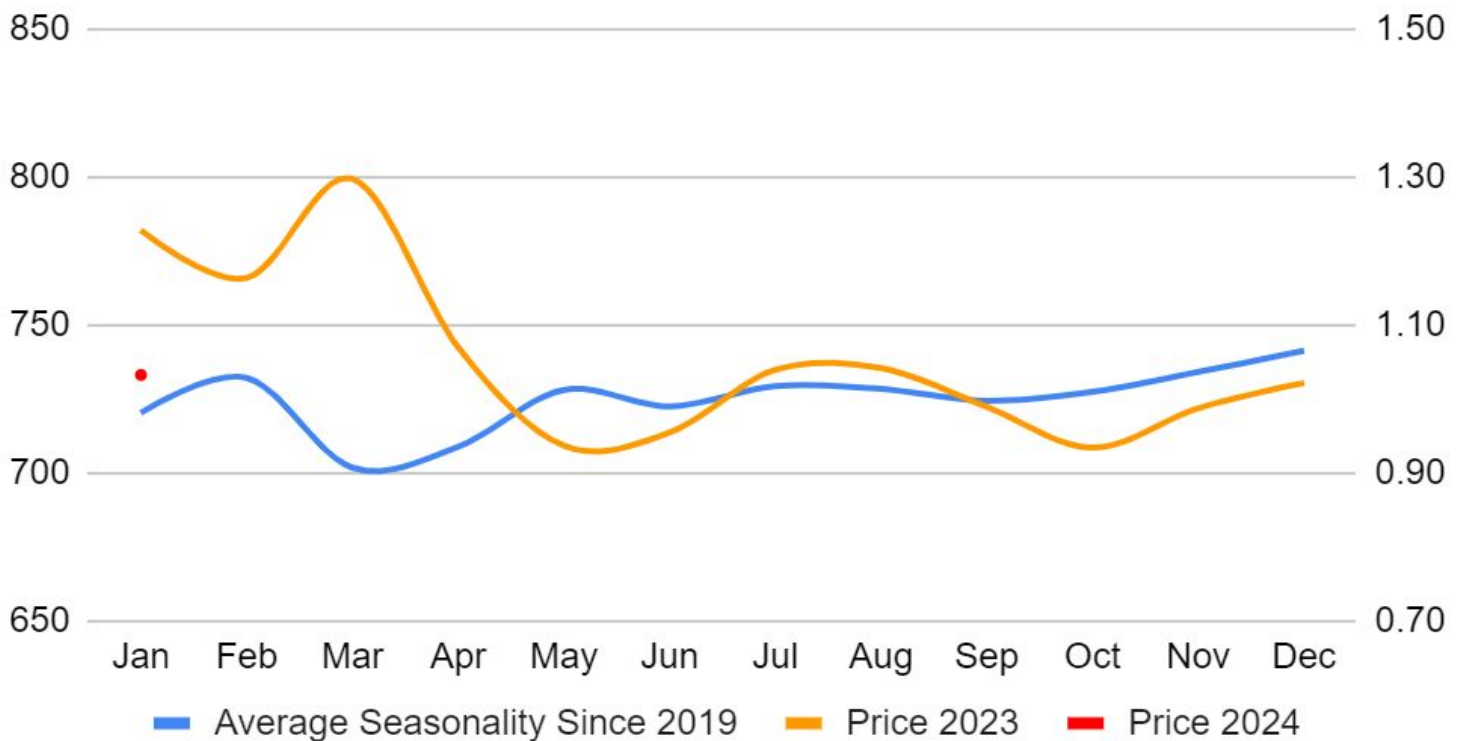
TRADING LEVELS

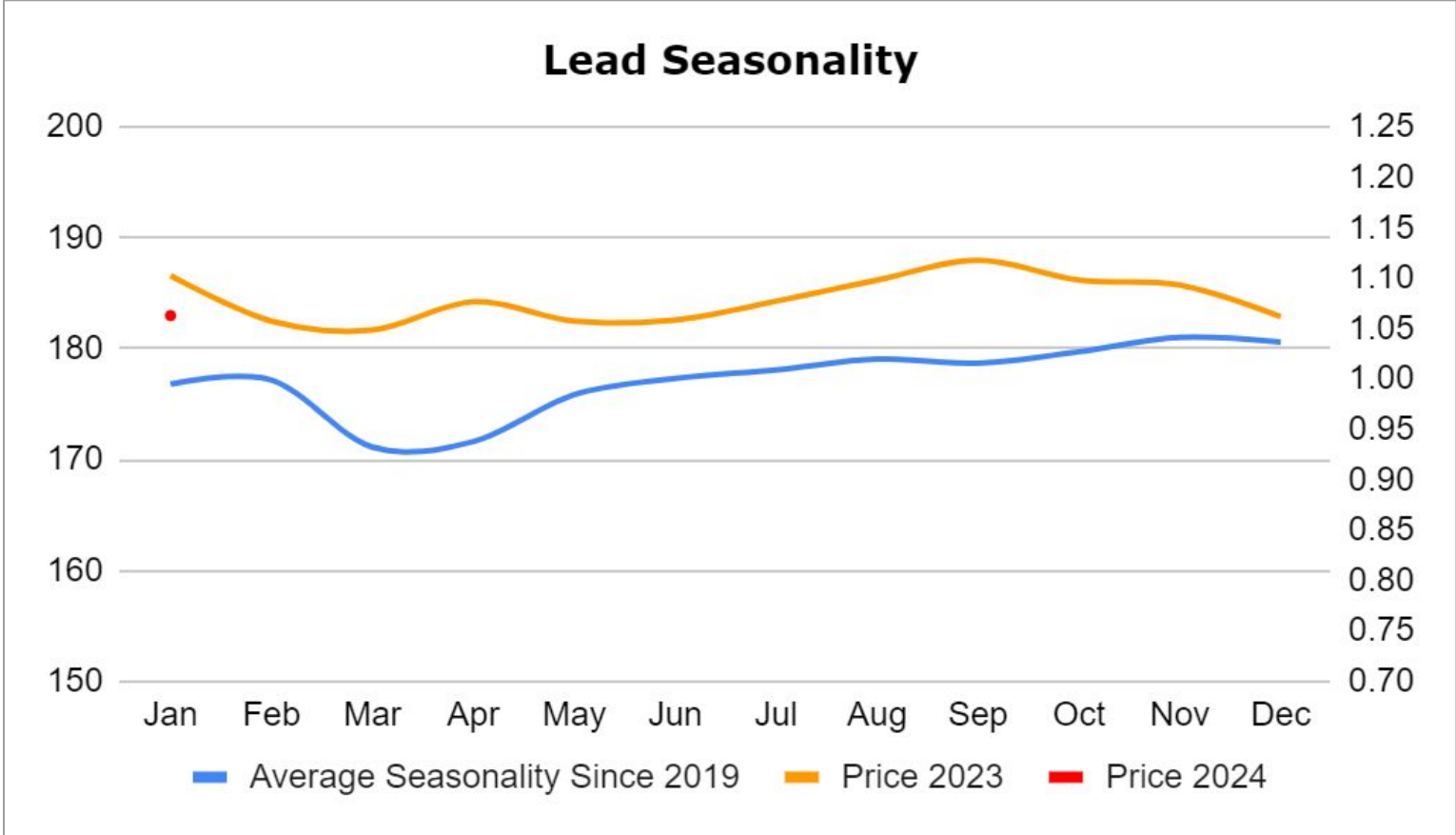
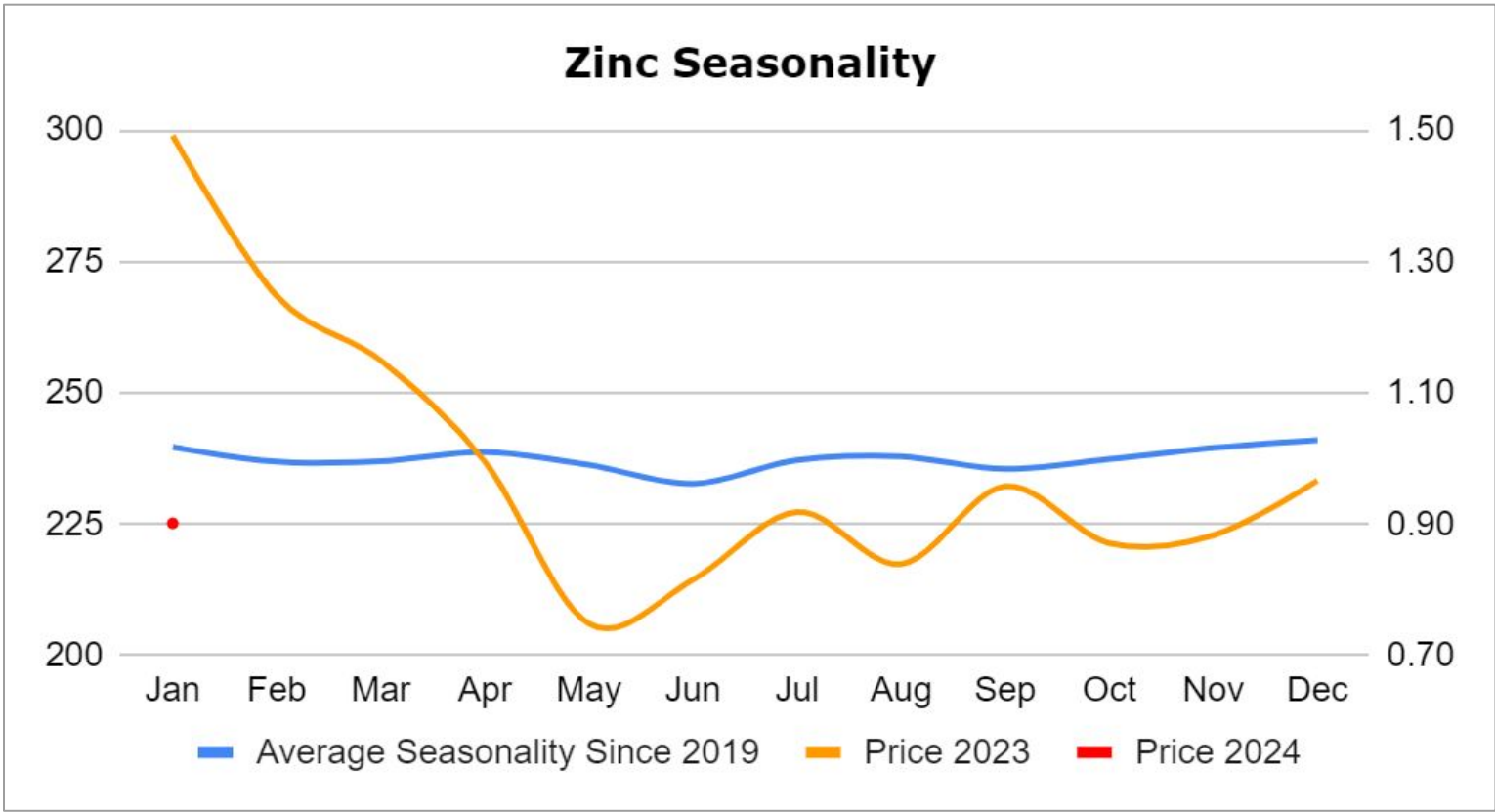
Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	29-Feb-24	215.75	218.10	216.90	215.30	214.10	212.50
ZINC	28-Mar-24	214.70	216.10	215.40	214.10	213.40	212.10
ZINCMINI	29-Feb-24	215.75	217.90	216.90	215.30	214.30	212.70
ZINCMINI	28-Mar-24	214.60	215.80	215.20	214.10	213.50	212.40
Lme Zinc		2406.00	2435.50	2421.00	2394.00	2379.50	2352.50

Aluminium Seasonality



Copper Seasonality





Weekly Economic Data

Date	Curr.	Data	Date	Curr.	Data
Feb 19	EUR	German Buba Monthly Report	Feb 22	EUR	ECB Monetary Policy Meeting
Feb 19	USD	Bank Holiday	Feb 22	USD	Unemployment Claims
Feb 20	EUR	Current Account	Feb 22	EUR	Belgian NBB Business Climate
Feb 20	USD	CB Leading Index m/m	Feb 22	USD	Flash Manufacturing PMI
Feb 21	USD	FOMC Member Bostic Speaks	Feb 22	USD	Flash Services PMI
Feb 21	EUR	Consumer Confidence	Feb 22	USD	Existing Home Sales
Feb 22	USD	FOMC Meeting Minutes	Feb 22	USD	FOMC Member Jefferson Speaks
Feb 22	EUR	French Flash Manufacturing PMI	Feb 22	USD	Natural Gas Storage
Feb 22	EUR	French Flash Services PMI	Feb 22	USD	Crude Oil Inventories
Feb 22	EUR	German Flash Manufacturing PMI	Feb 23	USD	FOMC Member Cook Speaks
Feb 22	EUR	German Flash Services PMI	Feb 23	EUR	German Final GDP q/q
Feb 22	EUR	Flash Manufacturing PMI	Feb 23	EUR	German ifo Business Climate
Feb 22	EUR	Flash Services PMI	Feb 23	EUR	German President Nagel Speaks

News you can Use

French Finance Minister Bruno Le Maire said the government had lowered its forecast for 2024 GDP growth to 1% from 1.4% as war in Ukraine and Gaza and a slowdown at top trading partners Germany and China darkened the outlook. In an interview with French television TF1, he also said that state spending would be cut by 10 billion euros (\$10.8 billion) across all departments and agencies. "It is a growth forecast that remains positive, but takes into account the new geopolitical context," Le Maire said, citing the war in Ukraine and the Middle East, problems with maritime transport in the Red Sea, and the economic slowdown in China and Germany. He added that there would be no tax increases and no cuts in social security payments to citizens, but stressed that all government ministries and agencies would contribute to the spending cuts. "We will immediately cut, in the coming days, ten billion euros in state expenditures," he said. He said there would be five billion euros in operating expenses cuts for all ministries and another five billion in public policies, notably one billion in public aid for development, and one billion euros on residential building renovation subsidies.

The prices of homes being put up for sale in Britain have risen in annual terms for the first time in six months as demand from buyers strengthened, according to an industry survey that added to signs of stabilisation in the housing market. Property website Rightmove said that asking prices for homes rose 0.1% in February compared a year earlier, the first annual increase since August 2023. Prices increased by 0.9% from January, broadly in line with the 10-year average of a monthly 1.0% rise in February. After a slowdown, Britain's property sector has picked up in recent months as mortgage interest rates fell on expectations that the Bank of England will lower borrowing costs this year. A measure of agreed sales in the first six weeks of 2024 was up 16% from a year earlier and was 3% higher compared with 2019, before the coronavirus pandemic, Rightmove said. Properties coming onto the market and buyer enquiries increased by 7%. Tim Bannister, Rightmove's director of property science, said he was only cautiously optimistic with mortgage rates still elevated in historical terms. BoE officials have said they need to see further evidence of inflation pressures easing before cutting rates, despite the economy falling into a recession late last year.

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