



KEDIA ADVISORY

DAILY BASE METALS REPORT

28 Dec 2023

- 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-Jan-24	733.80	740.20	733.05	739.30	6.65
ZINC	31-Jan-24	229.40	232.80	229.20	232.40	9.00
ALUMINIUM	31-Jan-24	207.70	212.80	207.30	212.05	25.66
LEAD	31-Jan-24	182.95	183.45	182.80	183.35	-2.99

Open Interest Update

Commodity	Expiry	% Change	% Oi Change	Oi Status
COPPER	31-Jan-24	0.91	1.87	Fresh Buying
ZINC	31-Jan-24	1.40	9.00	Fresh Buying
ALUMINIUM	31-Jan-24	2.09	25.66	Fresh Buying
LEAD	31-Jan-24	0.22	-2.99	Short Covering

International Update

Commodity	Open	High	Low	Close	% Change
Lme Copper	8597.50	8720.00	8596.50	8700.00	1.48
Lme Zinc	2599.00	2654.00	2595.00	2645.00	1.69
Lme Aluminium	2317.50	2401.50	2304.50	2400.00	3.18
Lme Lead	2075.00	2071.00	2070.00	2063.00	-0.15
Lme Nickel	16700.00	16650.00	16625.00	16509.00	-2.24

Ratio Update

Ratio	Price	Ratio	Price
Gold / Silver Ratio	84.18	Crudeoil / Natural Gas Ratio	29.95
Gold / Crudeoil Ratio	10.25	Crudeoil / Copper Ratio	8.40
Gold / Copper Ratio	86.13	Copper / Zinc Ratio	3.18
Silver / Crudeoil Ratio	12.18	Copper / Lead Ratio	4.03
Silver / Copper Ratio	102.32	Copper / Aluminium Ratio	3.49

TECHNICAL SNAPSHOT



SELL ALUMINIUM JAN @ 213 SL 215 TGT 211-210. MCX

OBSERVATIONS

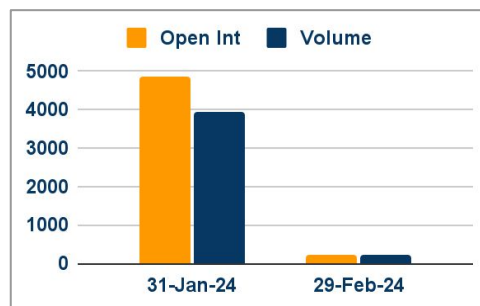
Aluminium trading range for the day is 205.2-216.2.

Aluminium gains on falling inventories in China and supply disruptions in upstream feed material.

Lower inventories in China, helped raise prices.

Aluminium inventories in China, dropped to 443,000 tons, the lowest since January 2017.

OI & VOLUME



SPREAD

Commodity	Spread
ALUMINIUM FEB-JAN	1.55
ALUMINI JAN-DEC	5.90

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
ALUMINIUM	31-Jan-24	212.05	216.20	214.10	210.70	208.60	205.20
ALUMINIUM	29-Feb-24	213.60	217.60	215.70	212.50	210.60	207.40
ALUMINI	29-Dec-23	205.95	206.10	206.00	205.90	205.80	205.70
ALUMINI	31-Jan-24	211.85	215.70	213.90	210.70	208.90	205.70
Lme Aluminium		2400.00	2466.00	2433.50	2369.00	2336.50	2272.00

TECHNICAL SNAPSHOT

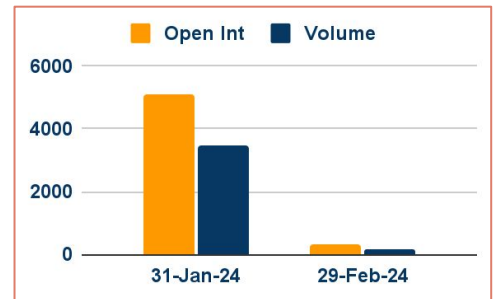


SELL COPPER JAN @ 740 SL 744 TGT 736-732. MCX

OBSERVATIONS

- Copper trading range for the day is 730.3-744.7.
- Copper rose amid robust demand and increasing threats to supply.
- Support also seen buoyed by industrial profit gains in China
- Copper market in 53,000 metric tons deficit in Oct 2023 – ICSG

OI & VOLUME



SPREAD

Commodity	Spread
COPPER FEB-JAN	5.35

TRADING LEVELS

Commodity	Expiry	Close	R2	R1	PP	S1	S2
COPPER	31-Jan-24	739.30	744.70	742.00	737.50	734.80	730.30
COPPER	29-Feb-24	744.65	749.10	747.00	743.20	741.10	737.30
Lme Copper		8700.00	8795.50	8747.50	8672.00	8624.00	8548.50

TECHNICAL SNAPSHOT



SELL ZINC JAN @ 233 SL 235 TGT 231-229. MCX

OBSERVATIONS

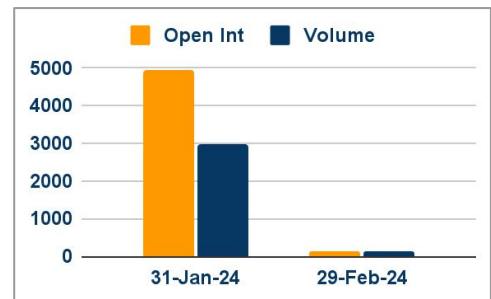
OI & VOLUME

Zinc trading range for the day is 227.9-235.1.

Zinc prices rose buoyed by industrial profit gains in China.

The global refined zinc market was headed for a surplus of 248,000 metric tons this year, compared with an April's projection of 45,000 tons deficit.

Smelters in Shaanxi, Hunan and Yunnan stopped production and overhauled, resulting in significant output reductions.

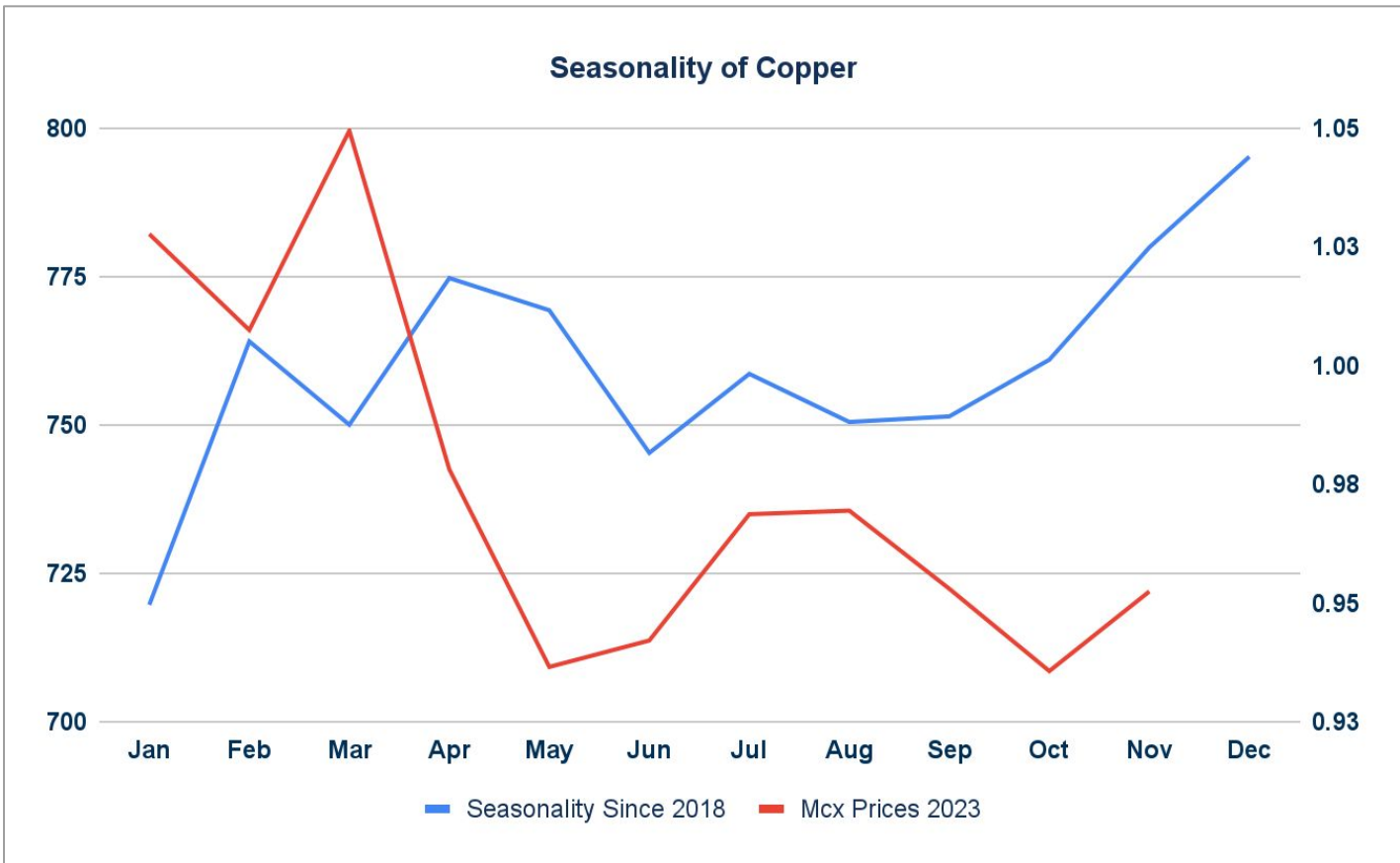
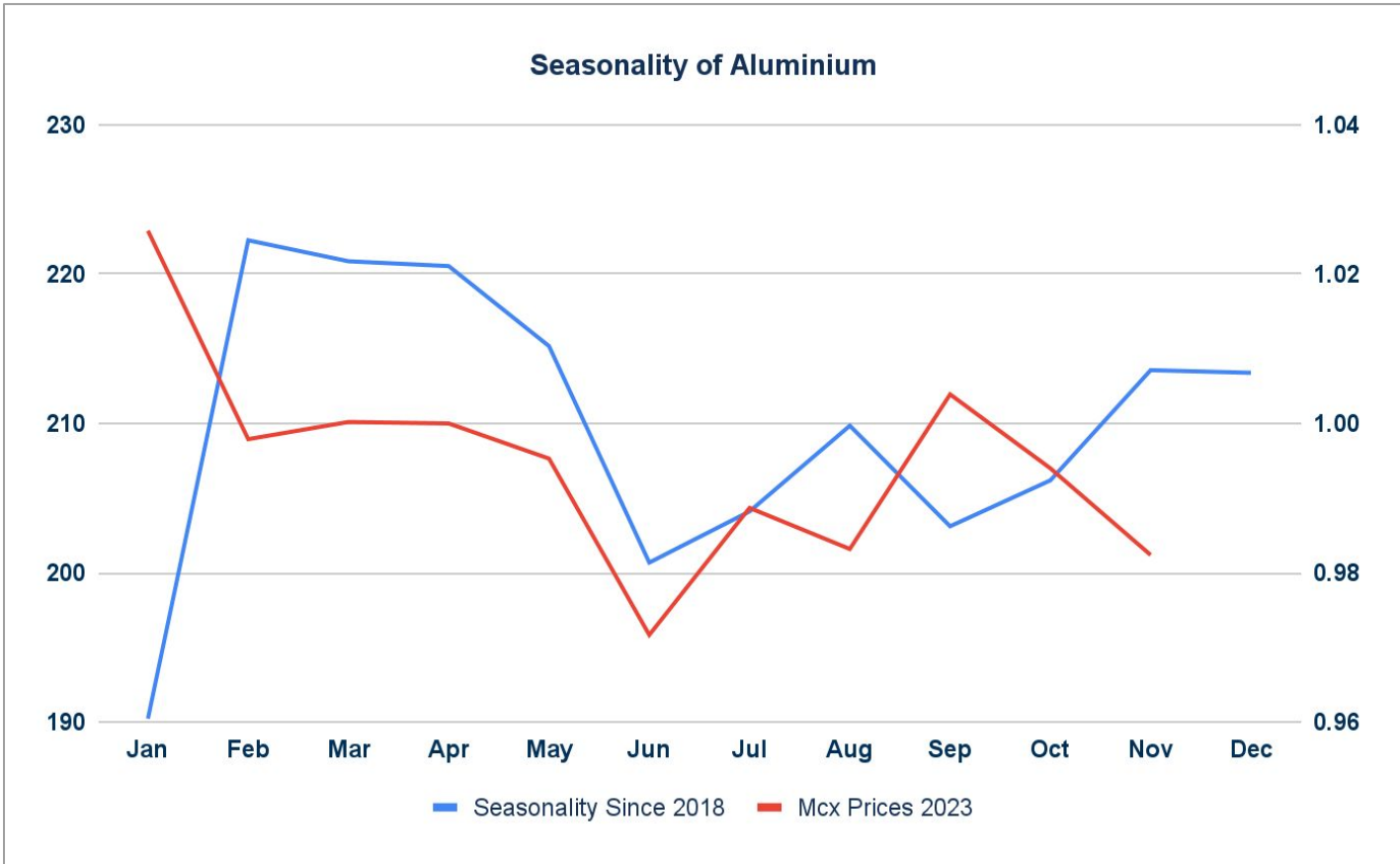


SPREAD

Commodity	Spread
ZINC FEB-JAN	1.50
ZINCMINI JAN-DEC	3.25

TRADING LEVELS

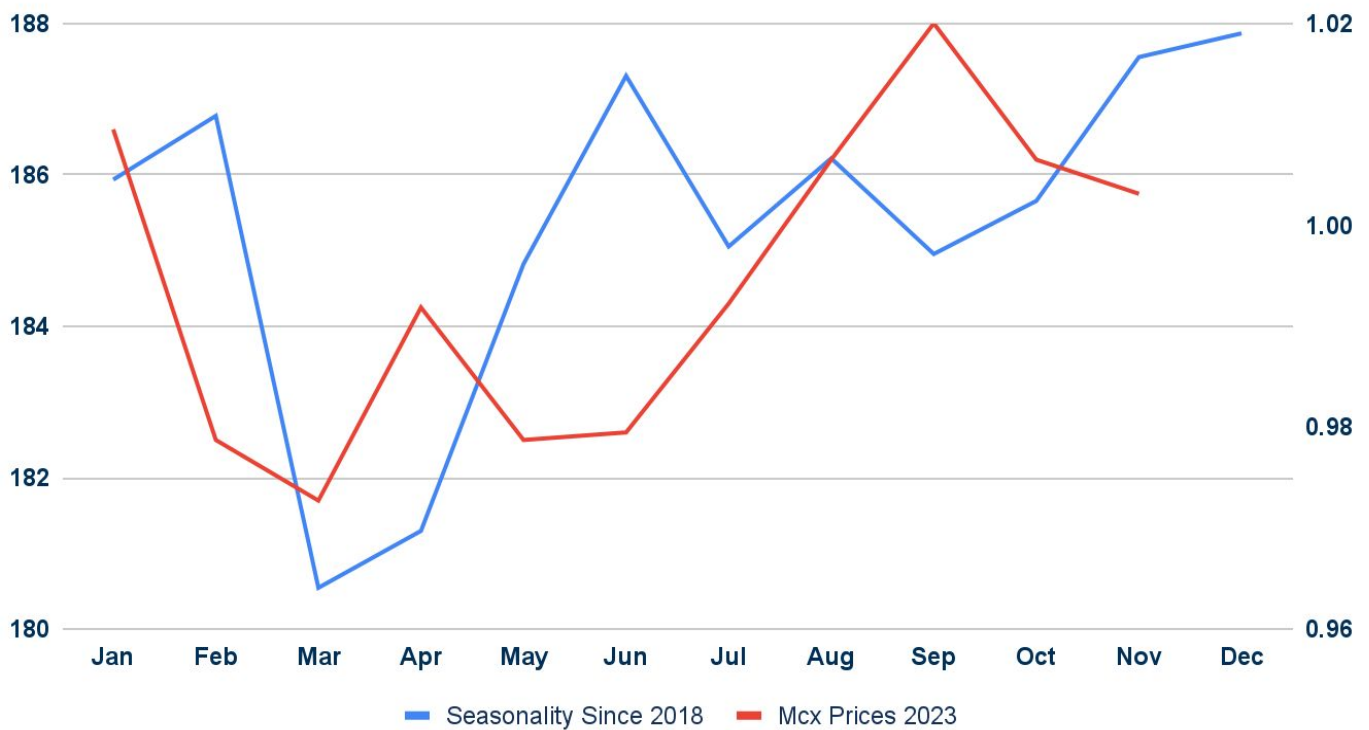
Commodity	Expiry	Close	R2	R1	PP	S1	S2
ZINC	31-Jan-24	232.40	235.10	233.80	231.50	230.20	227.90
ZINC	29-Feb-24	233.90	236.40	235.20	233.10	231.90	229.80
ZINCMINI	29-Dec-23	229.00	230.60	229.80	228.70	227.90	226.80
ZINCMINI	31-Jan-24	232.25	234.70	233.50	231.30	230.10	227.90
Lme Zinc		2645.00	2690.00	2667.00	2631.00	2608.00	2572.00



Seasonality of Zinc



Seasonality of Lead



Weekly Economic Data

Date	Curr.	Data
Dec 25	EUR	Bank Holiday
Dec 18	GBP	Bank Holiday
Dec 19	USD	Bank Holiday
Dec 26	AUD	Bank Holiday
Dec 26	JPY	Unemployment Rate
Dec 26	JPY	SPPI y/y
Dec 26	JPY	BOJ Core CPI y/y
Dec 26	CHF	Bank Holiday
Dec 26	EUR	German Bank Holiday
Dec 26	EUR	Italian Bank Holiday
Dec 26	GBP	Bank Holiday
Dec 26	CAD	Bank Holiday
Dec 26	USD	HPI m/m

Date	Curr.	Data
Dec 27	JPY	Housing Starts y/y
Dec 27	CHF	Credit Suisse Economic Expectations
Dec 27	USD	Richmond Manufacturing Index
Dec 28	JPY	Prelim Industrial Production m/m
Dec 28	JPY	Retail Sales y/y
Dec 28	USD	Unemployment Claims
Dec 28	USD	Goods Trade Balance
Dec 28	USD	Prelim Wholesale Inventories m/m
Dec 28	USD	Pending Home Sales m/m
Dec 28	USD	Natural Gas Storage
Dec 28	USD	Crude Oil Inventories
Dec 29	GBP	Nationwide HPI m/m
Dec 29	CHF	KOF Economic Barometer

News you can Use

China's November industrial profits posted double-digit gains as overall manufacturing improved, although soft demand continued to constrain business growth expectations, emboldening calls for more macro policy support. The 29.5% profit rise came on top of a 2.7% increase in October and alongside a pickup in industrial output in November, although other sectors of the world's second-largest economy still missed forecasts. In the first 11 months of 2023, industrial earnings shrank 4.4% from a year earlier, further narrowing from a 7.8% decline in January to October, National Bureau of Statistics (NBS) data showed. Behind the November profit rise was an accelerated uptick in industrial profits and returns on investments over the month, NBS statistician Yu Weining said in an accompanying statement. With a slew of pro-growth measures in place to buttress a patchy post-COVID recovery, Asia's biggest economy is widely expected to achieve the government's growth target of around 5% for this year. Industrial profits extended gains for a fourth month.

The likelihood of Japan's economy getting out of the low-inflation environment and achieving the price stability target is gradually rising, Bank of Japan's governor Kazuo Ueda said in a speech. However, he noted that the possibility was still not sufficiently high, amid mounting uncertainties surrounding economic activity and prices at home and abroad. Ueda added that the board had patiently continued with monetary easing while striking a balance between its positive effects and side effects. "The most significant factor behind the difference in policy responses between these central banks and the BoJ is the divergence in the situations of prices and wages," he stated. That said, if the virtuous cycle between wages and prices intensifies and the chance of achieving the price stability target of 2% in a sustainable manner rises sufficiently, the board will likely consider changing its monetary policy.

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