

Wednesday, 30 January 2019

**News, Views & Statistics**
**Copper, other metals, set for modest rebound in 2019: Reuters poll**

Copper and other base metals prices will recover only modestly this year as an economic slowdown in top metals consumer China subdues demand, a Reuters poll showed. The London Metal Exchange index of industrial metals slumped 17 percent in 2018, weighed down by macro-economic concerns such as the U.S.-China trade war. The LME cash copper price is expected to average \$6,307 a ton this year, a median forecast of 30 analyst's shows. That is about 5 percent higher than Monday's close, but is 6 percent lower than the previous Reuters poll in October. "We believe the fundamental backdrop is insufficient to push (industrial metals) prices either way," analyst Carsten Menke at Julius Baer in Zurich said. "Demand is too soft to cause shortages but still strong enough to avoid abundance, while supply should grow solidly across most markets, including copper." Analysts expect a copper market deficit of 64,000 tons in 2019, increasing the consensus forecast from 44,000 tons in the previous poll. Aluminum has been pressured in recent months by the lifting of U.S. sanctions on Russia's Rusal, the world's biggest producer outside of China, which is expected to result in additional supply coming on the market. A key factor in 2019 is expected to be Chinese exports, which jumped 21 percent last year to a record high of 5.8 million tons of unwrought aluminum and aluminum products. "In these market conditions, (Chinese) exports need to be reduced significantly to support the aluminum price upwards," said independent analyst and consultant Goran Djukanovic. LME cash aluminum is pegged to average \$1,978 a ton this year, a downgrade of 9 percent from the October poll estimate. The global aluminum deficit for 2019 has been trimmed to 490,000 tons from 527,500 tons in the previous poll. Worries about a wave of production from Indonesia have weighed on prices while there are also jitters about the stainless steel market, which accounts for the bulk of demand for nickel.

**Cardamom price increases as production declines**

Cardamom crops registered a 10 per cent drop in production in the last one month due to frost in many of the high range area where Cardamom is grown in plenty. Cardamom production was already lower by 40-50 per cent due to the floods last August. The unpleasantly cold weather in December-January has made things worse, and is certain to affect productivity next season. Cardamom prices have started moving northwards, touching? 1,500/kg, rising 10 per cent due to short supply and lower production. The rise in the price in the last 2-3 weeks was almost? 200/kg. Even the price of the Cardamom 8 mm variety, one of the best varieties available in the country, has gone up to? 1,700/kg as the availability of this particular variety is scarce.

COMMODITY	CLOSE	S2	S1	PIVOT	R1	R2	TREND
SILVER	40245	39728	39986	40164	40422	40600	Down
GOLD	32855	32415	32635	32765	32985	33115	Down
CRUDE OIL	3828	3642	3735	3793	3886	3944	Up
COPPER	430.90	420.80	425.90	428.50	433.60	436.20	Down
NATURAL GAS	206.90	198.00	202.50	205.10	209.60	212.20	Down
JEERA	15900	15640	15770	15870	16000	16100	Down
TURMERIC	6380	6276	6328	6424	6476	6572	Down
SOYBEAN	3825	3769	3797	3847	3875	3925	Up
RM SEED	3950	3925	3938	3962	3975	3999	Up
GUAR SEED	4335	4285	4310	4330	4355	4375	Up

## International Markets

COMMODITY	CLOSE	% CHANGE
LONDON SPOT GOLD	\$1309.05	+0.46
LONDON SPOT SILVER	\$15.82	+0.57
NYMEX CRUDE OIL	\$53.55	+2.82
NYMEX NATURAL GAS	\$2.907	-0.45

## Economic Data

Data	Previous	Forecast	Time
ADP Non-Farm.	271K	170K	6:45pm
Pending Home Sa.	-0.7%	1.1%	8:30pm
Crude Oil Inv.	8.0M	-	9:00pm

## RECOMMENDATIONS

### NICKEL

**NICKEL JAN: TRADING RANGE 853.50 – 875.50.**



Wait for our intraday trading strategy.

## KAPAS

**KAPAS APR: TRADING RANGE 1140 - 1165.**



Wait for our intraday trading strategy.

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