

Prices retreated after testing an all-time high on domestic futures platform last week. Tight supply due to China's push to cut carbon emissions and low LME inventories support the sentiment.

Global Economy

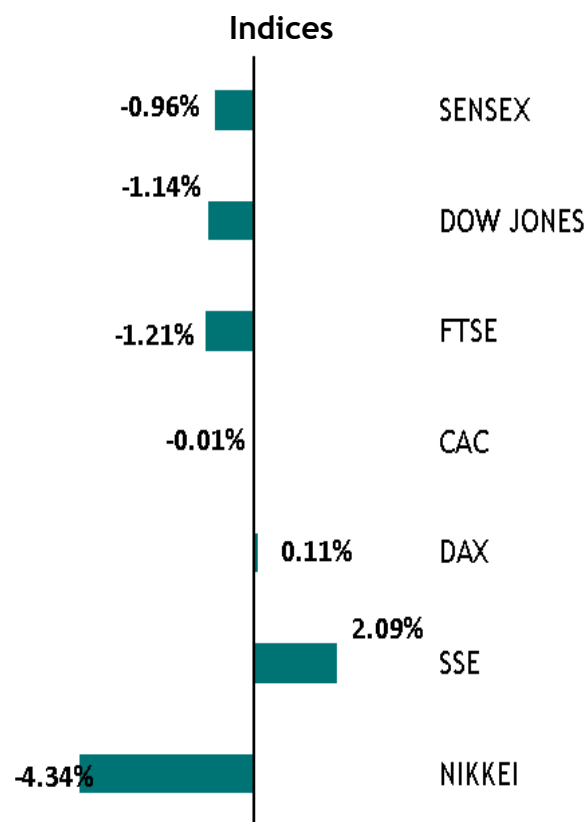
- Most of the equities across the globe were under pressure. U.S. Dow Jones index slipped by 1.14 percent last week while the European equity gauges showed a mixed trend. Among Asian indices, India's Sensex ticked lower marginally by 0.96 percent. However, China's SSE index made significant gains by more than 2.00 percent.
- Rising conflicts between Israel-Palestine brought drew attention among global economies as this tension may lead to full scale war.
- US consumer prices increased by the most in nearly 12 years during last month, April on booming demand.
- China's factory gate prices rose at the fastest rate in three and half years in April as the economy continued to gain momentum following record setting growth in first quarter.
- US new claims for unemployment benefits dropped to 14-month low in its last report.

Currencies

- U.S. dollar gainer moderately in previous week and closed on a flat note, settled at 90.32 marks against the currency basket last week.
- Euro slipped 0.19 percent against dollar last week. Chinese Yuan inched down 0.09 percent, while Japanese Yen slipped the most by 0.68 percent against greenback.
- Indian Rupee ticked lower 0.05 percent and settled at 73.29 mark against dollar.

Aluminium

- Aluminium giant China Hongqiao plan to move more smelting capacity from its base in industrial Shandong to the hydropower-rich province to Yunnan



Currency

Currencies	Close	WoW % Chg
Dollar Index Spot	90.321	0.10%
Euro/US Dollar	1.214	-0.19%
US Dollar/ Japanese Yen	109.34	-0.68%
US Dollar/ Indian Rupee	73.29	-0.05%
US Dollar/ Chinese Yuan	6.4367	-0.09%

*Currency rates mentioned above are Friday closing rates

Key Data/Events for the week

Day	Data/Events
Monday	Chinese Industrial Production
Tuesday	Euro-Zone GDP
Wednesday	US FOMC Meeting Minutes
Friday	US Existing Home Sales



MCX Aluminium slipped last week, after testing a fresh all time high.

Aluminium prices ticked lower after scaling new highs along with peers as rising inflation fears and a dip in demand from China. While worries that china may curb output to meet its carbon emission targets also influenced the price sentiments.

Shanghai aluminium shed the most compared to other major markets by more than 3.00 percent and closed at CNY 19450 per metric tonne. In MCX platform, most active futures prices shed by 2.38 percent last week and closed at Rs.194.15 per kilogram.

China Hongqiao Group the world's top private sector aluminium producer, plans to move more smelting capacity from its base in industrial Shandong to the hydropower-rich province of Yunnan. Meanwhile, Hongqiao committed in 2019 to moving around 2 million tonnes of annual capacity from Shandong in eastern China to Yunnan's Wenshan prefecture in the southwest to allow easier access to a cleaner power source than coal for the energy-intensive aluminium smelting process.

Aluminium Association of India (AAI) demanded at least 5 percent remission for the sector under the tax refund scheme to safeguard its competitiveness in global markets and also requested to government to consider a separate budget allocation for the aluminum industry.

Warehouse stock level

The aluminium inventory levels in LME registered warehouses decreased last week by 27200 Mt and totalled 1762525 MT. The inventory level in SHFE registered warehouses increased last week and totalled at 341097 MT.

Global Market Prices

Exchanges	Close Price	WoW % Chg	YoY % Chg
LME	2463 (\$/MT)	-2.98%	42.36%
SHFE	19450(CNY/MT)	-3.09%	27.44%
MCX	194.15 (Rs/Kg)	-2.38%	41.71%

*Near Month Futures Contracts in MCX/ SHFE
 *Three Month Forward Futures Contracts in LME
 *Prices mentioned above are Friday closing rates

Warehouse Stock Details

Exchanges	Stocks in MT	WoW Chg	YoY % Chg
LME	1762525	-27200	-1.52%
SHFE	341097	3036	0.90%

Stocks in Metric Tonnes



Outlook

LME: Broad outlook remain on the positive side as long as prices hold the support of \$2300. An unexpected drop below the same is an early sign of reversal of the current momentum.

MCX May: If the support of 160 remain hold the downside, expect rallies to continue in the counter. Major downside reversal is seen if it breaks 158.

Trading Outlook

	LME 3M Futures	MCX May
Weekly View	RANGE BOUND	RANGE BOUND
Short Term View	POSITIVE	POSITIVE
Technical Levels		
Trading Range	\$2850-1950	Rs 228-140
Resistance 1	2600	202
Resistance 2	2720	214
Resistance 3	2850	228
Pivot	2280	188
Support 1	2290	189
Support 2	2090	169
Support 3	1980	158

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