

TECHNO FUNDA REPORT ON

LEAD

Prices can move higher



MCX LEAD WEEKLY CHART (JULY)



Recommendation: Investors can take fundamental Buy position in Lead (Jul) at current prices for the target of 122 with stop loss of 114.50.

Note:

- These long term fundamental calls are for duration of three to four weeks time frame and do not confuse these with intraday calls.
- It is assumed that investor takes position in two lots and square off position in one lot on partial profit booking and trail stop loss to buying/selling price for second lot.

LME LEAD WEEKLY CHART



Bullish factors for Lead

Easing of Greece debt concerns

Greece's parliament endorsed the fresh set of austerity measures. The onus is now on the European Central Bank and other euro-area governments to deploy more emergency funds that will help Greek banks gradually re-open and repair its finances.

European car sales surge 15 percent in June

European auto sales surged 15 percent in June, the biggest month-on-month increases in more than five years. There was strong response from individual buyers in Germany and France, where sales rose 13 percent and 15 percent respectively.

Increase in E bikes sales US, China etc

More fully electric and plug-in hybrid vehicles market are being sold in the U.S. than other country, according to research by IHS Automotive. The U.S. led sales of all global electric vehicles and plug-in hybrid vehicles, selling more than 14,500 of them in the first quarter of 2015.

China saw the second largest sales, topping off at 12,555 vehicles throughout the first quarter of 2015. This was a 0.3% increase from this same time in 2014.

When it came to highest percentage of total vehicle registrations, Norway was the top country. It ranked first in IHS's Plug-In Electric Vehicle Index, which tracks the market share of plug-in electric vehicles and plug-in hybrid electric vehicles each quarter across eight major countries, including China, the U.S, France, Germany, Japan, and the United Kingdom. Norway had saw 8,000 cars sold throughout the first quarter of 2015, one third of all new vehicles registered over the period. The country had a 41% increase in volume compared to the same time period in 2014.

Decline in Lead supply

Global lead market was oversupplied by 4,000 tons during the first four months of 2015 as against an oversupply of 9,000 tons in the same period a year ago, according to data published by the International Lead and Zinc Study Group (ILZSG).

During January to April, global production of refined lead metal decreased by 2.3% to 3.369 million tons from the production of 3.45 million tons in the corresponding period last year.

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