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Daily Base Metals Report

US stocks opened higher on the day but struggled to hold the highs and edged lower later on, while European shares rebounded after the Federal Reserve reaffirmed its resolve to keep the rates elevated in the meantime. The officials are likely to keep their rhetoric moderately hawkish until the next meeting in December to make sure that the coordinated effort of tighter policy expectations is not getting undone. US existing home sales fell by 5.9% m/m in October, while less than the market anticipated, below the August figure of -1.5%. The dollar settled at 106.70, and the 10yr US Treasury yield edged slightly higher. Elsewhere, the UK mortgage rates are expected to remain elevated at 5.0% for the next five years, with the peak seen in the second half of 2024, according to the Office for Budget Responsibility.

The slightly elevated sentiment was seen across the base metals group today, thanks in part to China's steps to ease some of the restrictions while supporting the property sector. Still, the number of covid cases in the economy continues to climb rapidly, reaching April highs, and regions that saw some relief from lifted restrictions will still take time to bounce back. Nickel weakness calmed today, as the metal found support at \$24,000/t, which brought the performance to close marginally higher day-on-day at \$25,385/t. Likewise, aluminium found support at \$2,380/t before edging higher to close at \$2,430/t. Lead and zinc both closed higher at \$2,154/t and \$3,031/t, respectively. Copper was the only one seen edging lower today, as it settled at \$8,075/t.

Oil futures fell today, and the US prompt-spread flipped into contango for the first time since last year, a signal of potential oversupply in the market. WTI and Brent weakened to \$78./bl and \$86/bl, respectively. Gold and silver remained unchanged at \$1,754/oz and \$21.04/oz, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|-----------|-------|-------|-------|-----------|---------------|--------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2395 | 2440 | 2377 | 2430 | 2395 | 10917 | 563516 | -24.49 | 109.91 |
| Copper | 8130 | 8180 | 8050 | 8076 | 8118 | 16689 | 245770 | -32.50 | 366.10 |
| Lead | 2140 | 2189 | 2135 | 2154 | 2141 | 4086 | 100588 | -12.95 | 97.86 |
| Nickel | 25225 | 26395 | 23900 | 25385 | 25450 | 2260 | 143228 | -135.00 | 1164.16 |
| Tin | 22985 | 23005 | 21524 | 22664 | 22500 | 426 | 14065 | 145.00 | 1025.36 |
| Zinc | 3013 | 3054 | 2992 | 3031 | 3008 | 5175 | 203092 | -8.00 | 137.42 |
| | | | | | Total: | 39553 | 1270259 | | |

| Official Prices | | | | | | | Monthly Avg | | |
|-----------------|--------|-------|----------|----------|---------|--------|-------------|-------------|--|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M | |
| Aluminium | 2369 | 2400 | 2502.25 | 2579.25 | 2365 | 2391 | 2324.285714 | 2343.857143 | |
| Copper | 8047 | 8086 | 8107 | 8106 | 8072.25 | 8110 | 8038.607143 | 8031.892857 | |
| Lead | 2175 | 2184 | 2155 | 2137 | 2139 | 2150.5 | 2088.571429 | 2085.857143 | |
| Nickel | 24850 | 25050 | 25726 | 26726 | 24929 | 25064 | 24988.57143 | 25137.5 | |
| Tin | 21750 | 21550 | | | 22726 | 22584 | 20508.57143 | 20329.64286 | |
| Zinc | 3007.5 | 3016 | 2968.25 | 2863.25 | 2984 | 2987 | 2922.392857 | 2908.25 | |

| LME Stocks (tonnes) | | | | | | | Other Copper Markets | | | |
|---------------------|---------|-----|------|------------|---------|------------|----------------------|------------------|----------|-------|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | % Change | |
| Aluminium | 528250 | 0 | 3875 | -3875 | 524375 | 208525 | 315850 | Comex, USc/lb | | |
| Copper | 89925 | 750 | 925 | -175 | 89750 | 19850 | 69900 | DEC 22 | 368.8 | -2.27 |
| Lead | 29625 | 0 | 0 | 0 | 29625 | 6300 | 23325 | MAR 23 | 369.4 | -2.11 |
| Nickel | 49500 | 42 | 30 | 12 | 49512 | 5184 | 44328 | Shanghai, CNY/mt | | |
| Tin | 3455 | 0 | 40 | -40 | 3415 | 560 | 2855 | 22-Nov | 65860 | -0.69 |
| Zinc | 42750 | 0 | 50 | -50 | 42700 | 9250 | 33450 | 22-Dec | 65570 | -0.70 |

| Global Markets | | | Currencies | | | Precious Metals | | | Previous Day's Fix | |
|----------------|----------|-------|------------|----------|---------|-----------------|----------|---------|--------------------|---------|
| Last | % Change | | Last | % Change | | Last | % Change | AM | PM | |
| DAX | 14432 | 1.16 | GBP | 1.1900 | 0.3034 | Gold | 1754.08 | -0.3613 | 1764.55 | 1758.60 |
| DJI | 33708 | 0.48 | JPY | 140.0400 | 0.1143 | Silver | 21.05 | 0.44 | | 2107.5 |
| S&P500 | 3956 | 0.24 | EUR | 1.0347 | -0.1448 | Gold Comex | 1770.3 | -0.422 | | |
| SSE | 3097 | -0.58 | CNY | 7.1198 | 0.5337 | Platinum | 984.44 | -0.0822 | | |
| Hq Seng | 17993 | -0.29 | AUD | 0.6680 | -0.0748 | Palladium | 1962.2 | -2.4121 | | |
| Brent | 87 | -3.40 | RUB | 118.6895 | 1.4433 | | | | | |

Source: Bloomberg
Updated: 18/11/2022 16:56

All price data is from 18.11.2022 as of 17:30

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