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Daily Base Metals Report

US equity market softened today, with tech and energy stocks driving the decline. The Fed and the ECB minutes this week should reaffirm the central bank's rhetoric regarding the December meetings. Meanwhile, application for credit cards in the US remains robust, despite high interest rates, with the rates reaching 27.1% in October; demand is strongest amongst consumers with high credit scores. The dollar jumped higher back above 110, and the 10yr US Treasury yield settled at 3.78%. Little moves were seen in the 2-5yr yields in recent weeks, with most of the flows priced in at the back-end of the curve.

The sentiment soured in the metals space following a rise of covid cases in China -- not even a week after the partial removal of restrictions in some regions. At the same time, the economy continues to support the decline from the fiscal standpoint, with the latest statement from financial regulators asking the banks to stabilise lending to property developers. This still struggled to lift the sentiment. Tin sold off by more than 6.0% on the day, another big move for the metal that has seen large moves on the day in recent weeks; the metal closed at \$21,159/t. Zinc followed suit, falling by more than 4.0%, with a decline of more than \$70/t seen in the latter half of the day, closing at \$2,906/t. Lead also closed lower at \$2,906/t. Aluminium gapped lower to \$2,400/t before edging slightly lower to close at \$2,379/t. Copper fell for the sixth straight day back below the \$8,000/t support level to \$7,880.50/t.

Oil futures were also lower on the back of China news but also the possibility of OPEC+ increasing output up to 500,000 bl/d. WTI and Brent now trade at \$75/bl and \$82/bl, the lows not seen since late September. At the same time, as sanctions on energy exports loom for Russia, data suggest that the country has already lost more than 90% of its market in the bloc's northern regions.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2406	2409	2355	2379	2415	10232	562106	-24.35	107.66
Copper	8042	8045	7876	7880.5	8036	15039	245122	-37.50	357.46
Lead	2156	2156	2098	2101	2159	3203	100514	-18.75	95.30
Nickel	25385	25475	24535	24983	25605	1439	142436	-140.00	1132.40
Tin	22200	22270	21050	21159	22725	501	14297	84.00	959.36
Zinc	3015	3015	2897	2906	3023	6784	202709	-15.75	131.72
					Total:	37198	1267184		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2344	2368	2502.25	2579.25	2405.51	2430	2325.6	2345.466667	
Copper	7900.5	7940	8067	8065	8042.5	8076	8029.4	8025.766667	
Lead	2113	2127	2098.25	2080.25	2141.05	2154	2090.2	2088.6	
Nickel	24450	24625	26088	27088	25251	25385	24952.66667	25103.33333	
Tin	21650	21600			22809	22664	20584.66667	20414.33333	
Zinc	2932	2941	2851.5	2751.5	3023	3031	2923.033333	2910.433333	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	524375	0	2375	-2375	522000	225850	296150	Comex, USc/lb		
Copper	89750	2300	800	1500	91250	19050	72200	DEC 22	363.2 -1.52	
Lead	29625	0	625	-625	29000	5675	23325	MAR 23	364.15 -1.42	
Nickel	49512	0	42	-42	49470	6030	43440	Shanghai, CNY/mt		
Tin	3415	0	0	0	3415	585	2830	22-Nov	65110 -1.14	
Zinc	42700	0	275	-275	42425	9025	33400	22-Dec	64810 -1.16	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	14380	-0.36	GBP	1.1786	-0.8747	Gold	1733.52	-0.9802	1751.60
DJI	33643	-0.30	JPY	141.9600	-1.1200	Silver	20.71	-1.0868	2109.5
S&P500	3944	-0.55	EUR	1.0238	-0.8426	Gold Comex	1749.7	-1.091	
SSE	3085	-0.39	CNY	7.1653	-0.6350	Platinum	975.51	-0.6477	
Hq Seng	17656	-1.87	AUD	0.6592	-1.2138	Palladium	1860.98	-4.0341	
Brent	83	-5.00	RUB	118.6895	1.4433				

Source: Bloomberg
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All price data is from 21.11.2022 as of 17:30

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