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TUE 24 JANUARY 2023 00:10

Daily Base Metals Report

US stocks started the week off on the front foot, with tech earnings the key focus this week. Analysts are still optimistic about company prospects, but we anticipate the results to point a weakening demand picture. 80m equity options rolled recently, the most in almost a decade, highlighting ample liquidity in the market. The economic calendar is relatively quiet this week, with US GDP unlikely to impact the markets strongly. With appetite from China lower over the holiday period, attention will once again turn to Western economic releases to help drive the sentiment. Still, the markets are calling in the victory on recession too early, and we are likely to see the divergence in developed economies' slowdown over the course of the year. The dollar continued to find support at 102, and the 10yr US Treasury yield back above 3.50%. Meanwhile, Euro area consumer confidence continued to ease slightly from -22.2 during the previous month, now at -20.9, given easing energy pressures.

Open interest and volumes are diminishing, and the sentiment today was lacklustre across the board, with metals struggling to gain momentum during the day. Aluminium continued to pare gains, jumping higher above \$2,620/t in the latter half of the day to settle at \$2,636.50/t at the time of writing. Copper opened higher but weakened during the day, falling back down to \$9,356/t; cash to 3-month spread tightened sharply into -\$12.00/t. Iron ore futures continued to trace higher despite government plans to quell price growth; prices settled higher at \$125/mt. Lead and zinc closed broadly unchanged at \$2,055/t and \$3,420.50/t, respectively.

Oil futures continued to edge higher, with today's gains testing the November highs of \$82/bl and \$88/bl for WTI and Brent, respectively. Gold and silver softened, with silver seeing a more protracted weakness in the latter part of the day to \$23.24/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2593	2643	2593	2636.5	2590	8146	542950	-27.50	119.68
Copper	9395	9439	9283	9356	9342	8729	252243	-12.00	424.61
Lead	2093	2119	2050	2055	2084	5142	112728	-6.00	93.30
Nickel	28500	28600	27800	28110	28650	1047	132438	-230.00	1283.23
Tin	29500	30095	29380	29503	29695	152	14066	-28.00	1336.52
Zinc	3412	3448	3393	3420.5	3423	4177	203554	19.25	155.54
					Total:	27393	1257979		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2593	2619.5	2755.25	2824.25	2582.25	2610.5	2450.9	2481.566667	
Copper	9340.5	9360	9209	9109	9307.76	9324	8899.566667	8917.033333	
Lead	2105	2105	2078.5	2068.5	2086.25	2089	2229.433333	2203.866667	
Nickel	27650	27975	30359	31209	28541	28771	27962.33333	28182.33333	
Tin	29900	29950			29493	29536	27143.66667	27218	
Zinc	3436.5	3424	3181	2942	3435.5	3420.5	3224.033333	3205.2	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	381175	0	5225	-5225	375950	188875	187075	Comex, USc/lb		
Copper	80025	0	1725	-1725	78300	29100	49200	MAR 23	425.15 0.47	
Lead	20250	0	0	0	20250	3300	16950	MAY 23	425.75 0.46	
Nickel	51756	0	918	-918	50838	6282	44556	Shanghai, CNY/mt		
Tin	2930	25	10	15	2945	190	2755	23-Feb	0 0.00	
Zinc	18650	0	25	-25	18625	8550	10075	23-Mar	0 0.00	

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	15108	0.50	GBP	1.2366	-0.2501	Gold	1922.09	-0.2072	1928.75	1924.90
DJI	33696	0.96	JPY	130.6800	-0.8264	Silver	23.25	-2.8337		2387
S&P500	4025	1.32	EUR	1.0861	0.0461	Gold Comex	1940.2	-0.242		
SSE	3265	0.76	CNY	6.7845	-0.1327	Platinum	1044.31	-0.1501		
Hg Seng	22045	1.82	AUD	0.7023	0.8617	Palladium	1716.43	-1.1165		
Brent	88	0.96	RUB	118.6895	1.4433					

Source: Bloomberg
Updated: 23/01/2023 16:48

All price data is from 23.01.2023 as of 17:30

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