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Daily Base Metals Report

US stocks declined on the open once again on another day of worse-than-expected tech earnings results. US mortgage applications improved slightly, growing by 7.0% in the week ending January 20th. Tomorrow, there is a number of data releases coming out, including economic growth and consumer sector consumption for Q4, which are both forecast to grow at a slower pace. Core PCE is also set to grow at 3.9% as a result. Still, the possibility of a recession in the US remains a matter of debate, and we expect economic growth to stall in 2023, and some minor contractionary performance in the latter half of the year. The dollar and the 10yr US Treasury yield remained unchanged. Germany's business outlook improved once again in January as markets anticipated that recessionary fears that took place by the end of 2022 were overplayed.

Moderate upside momentum was seen across the base metals market today, but markets remain quiet during the holiday season. Tin was the only metal that saw another day of robust gains, gaining ground to close at \$30,850/t. Copper continues to linger above the \$9,314.50/t level as supply risks in Peru keep prices at elevated levels. Lead saw another leg higher, testing the resistance of \$2,000/t but rejecting prices above that level and closing lower at \$2,160.50/t; cash to 3-month flipped into a contango in recent days and is seen trading at -\$2.25/t at the time of writing. Aluminium fluctuated during the day, testing the support level of \$2,658.50/t to settle unchanged at \$2,656/t. Zinc closed higher at \$3,450/t.

Oil futures fluctuated amid a modest inventory build in the US, with WTI and Brent settling at \$81/bl and \$86/bl. Gold and silver lacked momentum in either direction, remaining unchanged at \$1,936/oz and \$23.70/oz, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|---------------|-------|-------|-------|-----------|-------|--------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2630 | 2661 | 2623 | 2658.5 | 2631 | 9776 | 542434 | -30.75 | 120.02 |
| Copper | 9356 | 9402 | 9261 | 9314.5 | 9354 | 8423 | 253286 | -23.49 | 422.39 |
| Lead | 2060 | 2139 | 2055 | 2160 | 2049 | 4840 | 112619 | -5.40 | 96.66 |
| Nickel | 28620 | 29340 | 27910 | 29182 | 28500 | 1573 | 133360 | -221.00 | 1313.39 |
| Tin | 29695 | 29995 | 29430 | 30850 | 29590 | 132 | 13906 | -60.00 | 1357.84 |
| Zinc | 3415 | 3440 | 3367 | 3450 | 3416 | 5305 | 203365 | 18.25 | 155.22 |
| Total: | | | | | | 30049 | 1258970 | | |

| Official Prices | Monthly Avg | | | | | | | |
|-----------------|-------------|-------|----------|----------|---------|--------|------------|------------|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M |
| Aluminium | 2594.5 | 2627 | 2790.5 | 2867.25 | 2605.3 | 2636.5 | 2459.875 | 2490.65625 |
| Copper | 9308 | 9335 | 9235.5 | 9135.5 | 9330.77 | 9356 | 8925.09375 | 8943.15625 |
| Lead | 2063 | 2068 | 2151 | 2141 | 2049 | 2055 | 2219.03125 | 2195.375 |
| Nickel | 28110 | 28525 | 30349 | 31199 | 27895 | 28110 | 27971.5625 | 28203.75 |
| Tin | 29950 | 29950 | | | 29475 | 29503 | 27319.0625 | 27388.75 |
| Zinc | 3420.5 | 3402 | 3201.5 | 2962.5 | 3439.75 | 3420.5 | 3236.3125 | 3217.5 |

| LME Stocks (tonnes) | Other Copper Markets | | | | | | | | | |
|---------------------|----------------------|------|------|------------|---------|------------|--------------|------------------|--------|----------|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | | % Change |
| Aluminium | 375950 | 7575 | 1975 | 5600 | 381550 | 186900 | 194650 | Comex, USc/lb | | |
| Copper | 78300 | 850 | 1000 | -150 | 78150 | 28700 | 49450 | MAR 23 | 425.15 | 0.47 |
| Lead | 20250 | 0 | 0 | 0 | 20250 | 3300 | 16950 | MAY 23 | 425.75 | 0.46 |
| Nickel | 50838 | 0 | 168 | -168 | 50670 | 6504 | 44166 | Shanghai, CNY/mt | | |
| Tin | 2945 | 0 | 0 | 0 | 2945 | 390 | 2555 | 23-Feb | 0 | 0.00 |
| Zinc | 18625 | 0 | 0 | 0 | 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 | 15093 | -0.07 | GBP | 1.2332 | -0.3797 | Gold | 1933.34 | 0.1191 | 1914.85 |
| DJI | 33633 | 0.01 | JPY | 130.0500 | 0.4767 | Silver | 23.63 | 0.7528 | 2367.5 |
| S&P500 | 4013 | -0.16 | EUR | 1.0875 | 0.0276 | Gold Comex | 1951 | 0.288 | |
| SSE | 3265 | 0.76 | CNY | 6.7845 | -0.1327 | Platinum | 1058.99 | 0.7516 | |
| Hg Seng | 22045 | 1.82 | AUD | 0.7041 | 0.1707 | Palladium | 1745.6 | 2.0222 | |
| Brent | 87 | -1.68 | RUB | 118.6895 | 1.4433 | | | | |

Source: Bloomberg
Updated: 24/01/2023 17:14

All price data is from 25.01.2023 as of 17:30

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