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Daily Base Metals Report

US stocks fluctuated as markets assessed another batch of corporate earnings results and US pricing data that pointed to further easing. The core PCE measure softened its pace in December, growing at 4.4% y/y, the lowest growth in over a year, but still way above the Fed's target of 2.0%; personal spending, adjusted for inflation, fell by 0.3% in December. This was then underscored by the University of Michigan data that showed inflation expectations easing to 3.9% for 1-year ahead and 2.9% in the next ten years. The data is one of the latest releases before the Fed meeting on Wednesday, which is now firmly seen hiking by 25bps, followed by another 25bps in March. The ECB hike of 50bps is also set in stone by the market. The dollar edged slightly higher, and the 10yr US Treasury yield was at 3.52%.

The mood soured slightly in the latter half of the day across the base metals markets, driven in large by US inflation-related data. Overall sentiment remained quiet. Tin gave back some of its recent gains, as it fell by more than \$1,300/t to close at \$30,838/t. Aluminium was also seen lower in the latter half of the day, falling slightly to settle at \$2,627/t, still remaining in line with the last two weeks' average; cash to 3-month spread widened once again, settling at -\$35.50/t, the recent lows. Likewise, copper remained elevated above \$9,250/t after prices struggled below this level, settling at \$9,263.50/t. Lead and zinc closed lower at \$2,183/t and \$3,413.50/t, respectively.

Oil futures weakened sharply in the latter half of the day, with WTI and Brent falling to \$79/bl and \$86/bl. Gold remained unchanged at \$1,929/oz, and silver weakened slightly to \$23.55/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2640	2650	2607	2627	2641	10904	557853	-35.50	119.39
Copper	9390	9395	9175	9263.5	9364	12591	253154	-21.26	420.35
Lead	2200	2208	2170	2183	2193	2889	114100	-0.75	99.09
Nickel	29430	29770	28820	28902	29490	953	135176	-228.50	1319.97
Tin	32065	32450	30700	30838	32545	390	13953	-30.00	1415.90
Zinc	3495	3510	3400	3413.5	3499	5538	209690	25.25	156.42
					Total:	33265	1283926		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2597	2638	2784	2858	2601.75	2639	2482.052632	2514.157895
Copper	9345.5	9365	9182.75	9092.75	9306.5	9329.5	8983.868421	9003.394737
Lead	2207	2199	2197	2187	2205.5	2204.5	2213.605263	2192.631579
Nickel	29065	29550	30454	31304	29194	29427	28111.31579	28365
Tin	32050	32100			32267	32262	27943.68421	28003.68421
Zinc	3509	3486	3170	2931	3508.25	3486.5	3274.631579	3255.789474

LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	419425	0	3900	-3900	415525	180875	234650	Comex, USc/lb		
Copper	75900	1025	2950	-1925	73975	23400	50575	MAR 23	426.75 0.54	
Lead	20250	0	0	0	20250	3400	16850	MAY 23	427.55 0.49	
Nickel	50364	0	822	-822	49542	5574	43968	Shanghai, CNY/mt		
Tin	3020	35	0	35	3055	390	2665	23-Feb	0 0.00	
Zinc	18625	0	950	-950	17675	8650	9025	23-Mar	0 0.00	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15150	0.11	GBP	1.2382	-0.2095	Gold	1929.82	0.0316	1936.45 1932.45
DJI	34018	0.20	JPY	129.8800	0.2618	Silver	23.56	-1.4637	2371
S&P500	4073	0.31	EUR	1.0859	-0.3030	Gold Comex	1946.3	-0.021	
SSE	3265	0.76	CNY	6.7845	-0.1327	Platinum	1013.25	-0.8261	
Hg Seng	22689	0.54	AUD	0.7104	-0.1546	Palladium	1620.29	-3.4588	
Brent	86	-1.14	RUB	118.6895	1.4433				

Source: Bloomberg
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All price data is from 27.01.2023 as of 17:30

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