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# Daily Base Metals Report

US stocks pushed lower today after a number of Federal Reserve speakers reaffirmed their resolve to keep the rates higher for longer. Other speakers have echoed market concerns surrounding the inflation outlook, highlighting prevailing uncertainty in the market. Bank of NY President Williams stated that if the situation changes, the bank can move faster than 25bps hikes. Still, the consensus of 5-5.25% peak rates is now mostly pencilled in by policymakers. The forward swaps have shifted the pivot and scale of the Fed pivot slightly down the curve. The dollar and the 10yr US Treasury yield remained unchanged. Meanwhile, used car prices have jumped higher in January, growing by 2.5% m/m, following a surprising 15% y/y decline in December. This is due to the high base of performance by the end of 2021 when supply chain bottlenecks intensified, and we expect demand for vehicles in the US is expected to remain stable in Q1'23.#

Market momentum continues to be driven in large by macroeconomic factors, as the Chinese story recovery is developing slower than markets originally anticipated. Aluminium prices weakened for the sixth straight day, testing support at \$2,480/t and settling at \$2,481/t. The metals decline has also benefitted from the data pointing to a sharp increase, up by 100,000 tonnes, in stockpiles in South Korea. The cash to 3-month spread remained low at -\$40/t as a result. Copper opened on the front foot, but the momentum did not last, as prices struggled above \$9,000/t, and the metal settled lower at \$8,892.50/t. Nickel fluctuated but remained broadly unchanged at \$27,390/t. Lead and zinc closed at \$2,120.50/t and \$3,132/t, respectively.

Oil futures remained unchanged; WTI and Brent settled at \$77/bl and \$83/bl. Gold and silver wavered and settled at \$1,873/oz and \$22.30/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2536	2548	2471	2481	2535	22100	578934	-38.85	112.76
Copper	8958	9065	8872	8892.5	8907	14580	253796	-26.50	403.11
Lead	2112	2136	2097	2120.5	2112	3715	109749	14.50	96.48
Nickel	27795	27900	27255	27390	27545	1355	138670	-181.00	1244.22
Tin	27325	28240	27325	27619	27265	386	14362	-93.00	1243.08
Zinc	3192	3221	3108	3132	3197	9357	207423	35.01	142.29
					<b>Total:</b>	<b>51493</b>	<b>1302934</b>		

Official Prices							Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M		
Aluminium	2469	2508	2655.5	2740.5	2486	2524.5	2528.583333	2566		
Copper	9006	9033	8866.25	8812.25	8893	8925	9018.583333	9044		
Lead	2130	2121	2145.2	2135.2	2086	2098	2115.083333	2123.166667		
Nickel	27300	27550	28695	29395	27043	27248	28244.16667	28517.5		
Tin	28050	28150			26952	27071	28225.83333	28329.16667		
Zinc	3202	3158.5	2948	2768	3169.75	3136.5	3281.583333	3246.583333		

LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	390200	107900	2350	105550	495750	166450	329300	Comex, USc/lb		
Copper	66475	0	1375	-1375	65100	9250	55850	MAR 23	408.05 1.13	
Lead	22175	0	0	0	22175	3325	18850	MAY 23	409.4 1.10	
Nickel	49716	0	528	-528	49188	5988	43200	Shanghai, CNY/mt		
Tin	3195	15	30	-15	3180	660	2520	23-Feb	68240 0.46	
Zinc	15600	4700	875	3825	19425	7525	11900	23-Mar	68200 0.28	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15412	0.60	GBP	1.2088	0.3320	Gold	1876.58	0.1858	1873.8 1870.70
DJI	33984	-0.50	JPY	131.2700	-0.1524	Silver	22.38	0.9282	2220.5
S&P500	4119	-1.07	EUR	1.0733	0.0653	Gold Comex	1889	0.223	
SSE	3232	-0.49	CNY	6.7905	-0.0869	Platinum	977.37	-0.0848	
Hg Seng	21284	-0.07	AUD	0.6937	-0.3161	Palladium	1649.51	0.1804	
Brent	84	0.60	RUB	118.6895	1.4433				

Source: Bloomberg  
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All price data is from 08.02.2023 as of 17:30

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