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Daily Base Metals Report

US stocks were pushed higher on the open today following the rally in tech equity as markets continue to assess the mixed economic data. US economic growth for Q4 was downgraded by 20bps after a downward revision in consumer spending data. At the same time, US initial jobless claims fell to 192,000 in the week ending February 18th, the lows not seen in four weeks, once again highlighting the resilience of labour market data. Continuing claims fell to December lows of 1.65m. Companies are holding on to employees given the recent hiring challenges, and many more are looking for a job given the growing recessionary fears, keeping the labour market tight. Data from the US continues to drive market sentiment across assets, and we expect the Fed will continue to push with more hawkish rhetoric of keeping terminal rates higher for longer to help combat inflation. The dollar edged higher, and the 10yr US Treasury yield settled at 3.91%. Meanwhile, eurozone inflation ticked up slightly higher to 8.6% in January, while the core reached a record high of 5.3%, further reinforcing the ECB's hawkish rhetoric.

Downbeat sentiment prevailed across the base metals market today as markets weighed on the monetary policy outlook from the Fed and the ECB. Aluminium weakened marginally, breaking below \$2,400/t and closed at \$2,396/t. Likewise, copper jumped below \$9,000/t on the back of the risk-off sentiment, triggering a \$8,904/t level on the close. Downstream buyers remained on the back foot, and recent price declines supported this. However, the divergence between copper scrap and cathode prices in the market prompted some buyers to purchase scrap. Lead and zinc closed lower at \$2,056/t and \$3,034.50/t, respectively.

Oil futures regained yesterday's losses after the WTI and Brent contracts hit the support levels of \$74/bl and \$80.50/bl, respectively. Precious metals weakened slightly, with gold and silver falling to \$1,820/oz and \$21.40/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2415	2425	2377	2396	2413	13868	586661	-43.25	108.68
Copper	9142	9142	8873	8904	9137	19294	250020	-19.01	403.25
Lead	2099	2107	2054	2056	2092	4532	102404	-5.75	93.33
Nickel	26200	26325	25300	25387	26520	2233	136946	-211.00	1147.60
Tin	26810	27000	26130	25171	26925	444	13435	-155.00	1186.61
Zinc	3067	3082	3016	3034.5	3073	5258	197148	26.00	137.21
					Total:	45629	1286614		

Official Prices	Monthly Avg							
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2368.5	2408	2580.75	2677.75	2375.5	2418	2436.735294	2474.176471
Copper	9060	9088	8849	8809	9103	9112	8982.470588	9010.205882
Lead	2089.5	2092	2093	2083	2097.5	2103.5	2101.294118	2107.205882
Nickel	25600	25850	26839	27614	26219	26431	27030.88235	27290.88235
Tin	26500	26645			26688	26848	27359.11765	27505.88235
Zinc	3087	3060	2887.5	2727.5	3088.75	3057	3163.352941	3133.352941

LME Stocks (tonnes)	Other Copper Markets									
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last		% Change
Aluminium	574025	0	5225	-5225	568800	121225	447575	Comex, USc/lb		
Copper	65425	500	925	-425	65000	16650	48350	MAR 23	410.85	-0.65
Lead	24950	150	0	150	25100	5150	19950	MAY 23	410.5	-0.40
Nickel	44514	0	168	-168	44346	3066	41280	Shanghai, CNY/mt		
Tin	3110	50	10	40	3150	700	2450	23-Mar	69040	0.09
Zinc	31025	0	375	-375	30650	5325	25325	23-Apr	69110	0.10

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	15476	0.49	GBP	1.1998	-0.3985	Gold	1821.07	-0.2367	1833.45	1835.75
DJI	32840	-0.62	JPY	134.8400	0.0000	Silver	21.34	-0.7982		2186
S&P500	3971	-0.50	EUR	1.0583	-0.2074	Gold Comex	1828.4	-0.711		
SSE	3287	-0.11	CNY	6.9125	-0.2835	Platinum	950.55	-0.3188		
Hg Seng	20351	-0.35	AUD	0.6787	-0.2499	Palladium	1443.58	-2.7473		
Brent	82	1.74	RUB	118.6895	1.4433					

Source: Bloomberg
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All price data is from 23.02.2023 as of 17:30

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