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# Daily Base Metals Report

US stocks rebounded today, despite another round of stronger economic data, as markets readjusted their expectations in regard to Fed's monetary policy outlook. The 2yr and 10yr yields have settled at 4.90% and 4.00%, respectively. The dollar found resistance at 105 once again. Sentiment also improved after Atlanta Fed's Bostic stated that the central bank could possibly pause its rate hikes sometime this summer. The US service sector grew in February to 55.1, more than forecast, as orders climbed to a 1yr high and hiring increased.

The metals have also benefitted from a slight improvement in sentiment. Aluminium found support at the \$2,400/t level and settled at \$2,405/t. Copper opened at \$8,950/t and edged higher during the day to \$8,983.50/t. Lead and zinc closed slightly higher at \$2,119.50/t and \$3,077.50/t, respectively. A combination of subdued domestic demand in China and a strong macroeconomic picture in the US has weighed on base metals in recent weeks. Even higher PMI and improved home sales in China struggled to pick up the sentiment. We do not expect to see a strong recovery in prices until the Chinese recovery is proven to be sustainable. With hard data for economic performance not to be released until mid-March, markets will continue to pay attention to the global economic and monetary policy environment, and in particular, the dollar moves.

Oil futures closed higher at \$79/bl and \$85/bl for WTI and Brent, respectively. Gold and silver settled at \$1,845/oz and \$21.05/oz, with the former seeing the first week of growth since January.

|               | Open  | High  | Low   | 5pm Close | PDC   | Volume       | Total O.I      | Spreads | Conversion |
|---------------|-------|-------|-------|-----------|-------|--------------|----------------|---------|------------|
|               |       |       |       |           |       |              |                | C-3M    | USc/lb     |
| Aluminium     | 2398  | 2422  | 2398  | 2405      | 2396  | 11550        | 602817         | -43.25  | 109.02     |
| Copper        | 8949  | 9025  | 8945  | 8983.5    | 8926  | 10311        | 251494         | -28.00  | 407.31     |
| Lead          | 2126  | 2140  | 2104  | 2119.5    | 2128  | 4234         | 102286         | -2.00   | 95.80      |
| Nickel        | 24405 | 24950 | 24160 | 24597     | 24160 | 1637         | 136761         | -217.50 | 1131.72    |
| Tin           | 24685 | 24840 | 24000 | 24750     | 24520 | 489          | 13596          | -130.00 | 1120.84    |
| Zinc          | 3048  | 3100  | 3045  | 3077.5    | 3047  | 5876         | 194142         | 23.00   | 139.23     |
| <b>Total:</b> |       |       |       |           |       | <b>34097</b> | <b>1301096</b> |         |            |

#### Official Prices

|           | Cash   | 3m    | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M  | Monthly Avg | Cash        | 3M |
|-----------|--------|-------|----------|----------|---------|--------|-------------|-------------|----|
| Aluminium | 2361.5 | 2404  | 2601.25  | 2692.25  | 2355.25 | 2399.5 | 2364        | 2407.166667 |    |
| Copper    | 8945   | 8979  | 8885.5   | 8830.5   | 8928.1  | 8958.5 | 8969.166667 | 8994        |    |
| Lead      | 2138   | 2138  | 2151.25  | 2151.25  | 2123    | 2125.5 | 2128        | 2127.666667 |    |
| Nickel    | 24405  | 24650 | 25894    | 26769    | 24177.5 | 24395  | 24530       | 24751.66667 |    |
| Tin       | 24125  | 24310 |          |          | 24377   | 24570  | 24875       | 25086.66667 |    |
| Zinc      | 3090   | 3068  | 2940     | 2780     | 3067    | 3048   | 3085.5      | 3064.166667 |    |

#### LME Stocks (tonnes)

|           | Opening | In    | Out  | Net Change | Closing | C-warrants | Open Tonnage | Other Copper Markets | Last  | % Change |
|-----------|---------|-------|------|------------|---------|------------|--------------|----------------------|-------|----------|
| Aluminium | 546825  | 20675 | 2800 | 17875      | 564700  | 109275     | 455425       | Comex, USc/lb        |       |          |
| Copper    | 64225   | 7500  | 1175 | 6325       | 70550   | 22250      | 48300        | MAR 23               | 408.4 | -2.02    |
| Lead      | 25075   | 0     | 100  | -100       | 24975   | 5025       | 19950        | MAY 23               | 407.6 | -2.02    |
| Nickel    | 43884   | 1020  | 168  | 852        | 44736   | 4272       | 40464        | Shanghai, CNY/mt     |       |          |
| Tin       | 2930    | 0     | 0    | 0          | 2930    | 825        | 2105         | 23-Mar               | 69380 | -0.67    |
| Zinc      | 35750   | 0     | 600  | -600       | 35150   | 3175       | 31975        | 23-Apr               | 69390 | -0.83    |

#### Global Markets

| Global Markets |          | Currencies |          | Precious Metals |          | Previous Day's Fix |         |         |         |         |
|----------------|----------|------------|----------|-----------------|----------|--------------------|---------|---------|---------|---------|
| Last           | % Change | Last       | % Change | Last            | % Change | AM                 | PM      |         |         |         |
| DAX            | 15585    | 1.68       | GBP      | 1.1987          | 0.3432   | Gold               | 1846.46 | 0.5768  | 1831.75 | 1836.20 |
| DJI            | 33196    | 0.58       | JPY      | 136.1600        | 0.4480   | Silver             | 21.08   | 0.857   |         | 2080    |
| S&P500         | 4015     | 0.84       | EUR      | 1.0610          | 0.1227   | Gold Comex         | 1852.3  | 0.641   |         |         |
| SSE            | 3328     | 0.54       | CNY      | 6.9092          | 0.1100   | Platinum           | 975.88  | 1.1621  |         |         |
| Hg Seng        | 20568    | 0.68       | AUD      | 0.6754          | 0.3566   | Palladium          | 1443.09 | -0.5876 |         |         |
| Brent          | 85       | 0.86       | RUB      | 118.6895        | 1.4433   |                    |         |         |         |         |

Source: Bloomberg  
Updated: 03/03/2023 16:49

All price data is from 03.03.2023 as of 17:30

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