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Daily Base Metals Report

US stocks opened lower on Friday and remained at session's lows throughout the day but still managed to close the week higher. This week's disruptive momentum triggered by SVB and Credit Suisse triggered major worries into the banking sector, and market confidence is yet to fully recover from these events. Next week, all eyes are on the Fed and the monetary policy meeting. We expect a 25bps hike to materialise on Wednesday, and markets will be listening in to Powell's speech to help gauge whether this hike will be the last of the tightening cycle. At the same time, data today pointed to softening short-term inflationary expectations, with the index falling to the lowest level in two years, at 3.8%; consumer sentiment pulled back at the same time. The dollar continued to soften, and the 10yr US Treasury yield is at 3.41%.

Metals opened marginally higher today as fundamental support levels held firm and banking sector woes receded. Meanwhile, China's central bank has cut the reserve requirement ratio by 25bps, marking the first move since December, in an effort to stimulate the economic recovery. This move is taking place at a time when the economy is expected to start gaining pace, especially from the consumer sector. We expect March service sector performance to benefit as a result of consumer spending on services and other non-discretionary items. Aluminium jumped to test the resistance level of \$2,310/t before edging slightly lower to \$2,274/t. Copper followed suit, testing the \$8,700/t level before some softness brought it into a close of \$8,580/t. Lead and zinc gained ground, closing at \$2,089.50/t and \$2,895/t, respectively.

Oil futures closed lower once again, with WTI and Brent settling at \$66/bl and \$72/bl, respectively. Gold and silver remained strong, once again highlighting the appetite for safe havens, now at \$1,964/oz and \$22.27/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2281	2315	2263	2274	2280	17663	611092	-47.50	103.10
Copper	8567	8713	8540	8580	8533	15896	245608	-6.75	389.96
Lead	2067	2099	2064	2089.5	2066	4747	104772	0.75	94.94
Nickel	23550	23615	23230	23364	23465	1562	134435	-217.00	1059.78
Tin	22250	22800	21605	22510	22300	427	13338	-110.00	1019.46
Zinc	2864	2930	2863	2895	2863	8030	183522	36.00	131.91
Total:						48325	1292767		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2232	2280	2496.5	2605.5	2216.5	2267.5	2290.653846	2337.615385	
Copper	8621	8625	8560.45	8550.45	8508.75	8518	8781.576923	8799.423077	
Lead	2067.5	2069	2140	2171.25	2058	2066.5	2091.730769	2094.730769	
Nickel	23210	23550	24909	25886	23018	23236	23530	23772.69231	
Tin	22435	22500			22118	22218	23470	23632.30769	
Zinc	2933	2905	2753	2596	2871	2857.5	2978.269231	2959.038462	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	530550	26125	4325	21800	552350	114450	437900	Comex, USc/lb		
Copper	74975	1150	1425	-275	74700	22025	52675	MAR 23	388.55 0.75	
Lead	25725	0	0	0	25725	4525	21200	MAY 23	386.45 0.56	
Nickel	44796	0	138	-138	44658	6636	38022	Shanghai, CNY/mt		
Tin	2400	0	30	-30	2370	240	2130	23-Apr	66890 -0.30	
Zinc	37775	0	50	-50	37725	2425	35300	23-May	66690 -0.36	

Global Markets		Currencies		Precious Metals		Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM	
DAX	14768	-1.33	GBP	1.2169	0.4955	Gold	1962.73 2.2511	1919.4 1922.75
DJI	31944	-0.94	JPY	132.3000	1.0884	Silver	22.23 2.4483	2201
S&P500	3919	-1.04	EUR	1.0667	0.5372	Gold Comex	1984 2.284	
SSE	3251	0.73	CNY	6.8867	0.1641	Platinum	973.54 -0.3062	
Hg Seng	19519	1.64	AUD	0.6696	0.6010	Palladium	1396.4 -2.5289	
Brent	73	-2.12	RUB	118.6895	#N/A N/A			

Source: Bloomberg
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All price data is from 17.03.2023 as of 17:30

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