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# Daily Base Metals Report

US stocks traded lightly today as investors pay attention to the Fed speech tonight. The Fed committed to a 25bps hike, a bet that was once overshadowed by a pause or even a bigger increase in recent weeks. The next question the markets will be asking themselves is whether this will be the end of monetary policy tightening, and we expect that following the SVB and other banking sector risks, financial conditions have tightened. The dollar remained broadly unchanged, and the 10yr US Treasury yield is at 3.50%; the 2yr yield jumped back to 4.14%. Elsewhere, the unexpected uptick in UK inflation up to 10.4% y/y has brought into question whether the pace of tightening from the BOE is over; forward swaps are pricing in a 22bps increase in interest rates tomorrow.

Some moderate upside was seen across the base metals complex in anticipation of the Fed meeting. Aluminium started on the back foot, but recent support at \$2,270/t held firm and the metal bounced higher to \$2,286.50/t. Copper solidified three consecutive days of gains, edging back to \$8,888.50/t; cash to 3-month tightened into backwardation for the first time since January, suggesting a tightening balance. Lead and zinc closed higher at \$2,116/t and \$2,866/t, respectively.

Oil futures gained ground, with WTI and Brent increasing up to \$70/bl and \$76/bl. All precious metals were seen higher; gold and silver are now trading at \$1,950/oz and \$22.50/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2275	2295	2261	2286.5	2270	13830	699110	-50.00	103.71
Copper	8807	8983	8727	8888.5	8791	17789	269177	12.00	403.18
Lead	2103	2123	2095	2116	2108	3576	114583	31.75	95.98
Nickel	22900	22930	22430	22461	22475	2386	146352	-333.00	1018.82
Tin	23075	23800	22765	23395	23200	381	14467	-104.00	1061.19
Zinc	2865	2893	2834	2866	2873	5709	208135	26.25	130.00
<b>Total:</b>						<b>43671</b>	<b>1451824</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2232	2282.5	2497.5	2608.5	2217.5	2266.5	2280.1875	2327.53125	
Copper	8880.5	8875	8835	8800	8761	8757.5	8783.875	8796.96875	
Lead	2150	2123	2164.25	2184	2119	2094.5	2098.53125	2097.59375	
Nickel	22300	22725	24168	25183	22258.5	22514	23338.4375	23590.3125	
Tin	23300	23400			22911	23039	23397.1875	23546.25	
Zinc	2888	2865	2723.25	2566.25	2888	2864.5	2964.21875	2943.90625	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	541875	1975	2525	-550	541325	109425	431900	Comex, USc/lb		
Copper	76400	2375	4175	-1800	74600	36225	38375	MAR 23	397.55 1.58	
Lead	25725	0	0	0	25725	4525	21200	MAY 23	395.15 1.52	
Nickel	44052	0	168	-168	43884	5928	37956	Shanghai, CNY/mt		
Tin	2385	0	5	-5	2380	240	2140	23-Apr	67550 0.49	
Zinc	39850	0	100	-100	39750	2400	37350	23-May	67390 0.57	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15216	0.14	GBP	1.2273	0.4584	Gold	1969.06	1.4943	1965.95 1952.50
DJI	32030	-1.63	JPY	131.2800	0.9369	Silver	22.91	2.3486	2246.5
S&P500	3937	-1.65	EUR	1.0862	0.8730	Gold Comex	1989.5	1.593	
SSE	3266	0.31	CNY	6.8700	0.1354	Platinum	985.32	1.0813	
Hg Seng	19591	1.73	AUD	0.6685	0.2399	Palladium	1449	3.0312	
Brent	76	0.73	RUB	118.6895	#N/A N/A				

Source: Bloomberg  
Updated: 22/03/2023 20:16

All price data is from 22.03.2023 as of 17:30

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