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# Daily Base Metals Report

Stocks fluctuated in the US and Europe today, ahead of the corporate earnings week and CPI figures out of Eurozone. Fed speakers are also out this week, and we expect the policymakers' speeches to guide the market to price in 25bps in May. US homebuilder sentiment rose for the fourth straight month as limited housing inventory helped to drive demand for new houses. More housing data is coming out this week, and we expect it to remain resilient, suggesting that the housing sector might have bottomed out. Given our view of a 25bps hike in May being the last one of this tightening cycle, we expect mortgage rates to ease broadly in anticipation of the pivot by the end of the year; while we do not expect a robust recovery, this could provide support for the housing sector for the remainder of the year. The dollar gained ground above 102, and the 10yr US Treasury yield strengthened for the third straight day to 3.58%.

Base metals were mixed, with most of the complex weakening back to fundamental support levels. The exception was tin, which jumped 11% after the key mining region in Myanmar moved to curtail operations, urging the metal to close higher at \$27,367/t; nickel was seen slightly higher on the back of it, closing at \$24,701/t. Other metals saw broad declines, and in particular, lead weakened back to the \$2,100/t support level, erasing three days' worth of gains to close at \$2,113/t. Aluminium weakened to test the support of \$2,360/t, but this level held firm, and the metal settled at \$2,378.50/t. Tomorrow's data out of China should point to signs of marginal improvement in comparison to February, given the high-frequency data pointing to continued recovery from the region. We expect retail sales to once again be the beneficiary of growth.

Oil futures remained resilient, supported above \$80/bl, at \$81/bl and \$85/bl for WTI and Brent, respectively. Gold and silver weakened following the sharp rally seen last week; still, our base case for both precious metals to remain elevated, and we expect both metals to find support at around \$1,950/oz and \$24.00/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2386	2394	2353	2378.5	2390	14817	608825	-12.58	107.84
Copper	9037	9083	8936	2964.5	9044	13448	261708	0.00	406.56
Lead	2163	2167	2097	2113	2158	7649	103975	25.25	95.85
Nickel	24525	24995	24325	24701	24600	3023	135644	-105.00	1110.86
Tin	25140	27705	24920	27367	25050	1558	13675	219.00	1246.48
Zinc	2851	2880	2825	2832	2846	4923	175040	16.00	128.69
<b>Total:</b>						<b>45418</b>	<b>1298867</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2364.5	2371	2562.75	2654.75	2360.76	2385.5	2322.833333	2361.388889	
Copper	8985	8983	8952.5	8887.5	9030.25	9023.5	8913.444444	8915.166667	
Lead	2132	2108	2153.5	2173.25	2198	2170	2138.722222	2121.611111	
Nickel	24455	24550	25555	26505	24025	24132	23250	23516.66667	
Tin	27225	26755			24878	24853	25128.88889	25016.11111	
Zinc	2846	2834.5	2725.5	2571.5	2873.75	2856.5	2844.611111	2827.388889	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	530650	0	2300	-2300	528350	75400	452950	Comex, USc/lb		
Copper	51550	2825	2600	225	51775	9900	41875	MAY 23	410.65 -0.42	
Lead	26400	4950	0	4950	31350	3875	27475	JUL 23	410.6 -0.35	
Nickel	41124	378	12	366	41490	4044	37446	Shanghai, CNY/mt		
Tin	1780	35	20	15	1795	315	1480	23-Apr	69960 -0.34	
Zinc	44200	0	50	-50	44150	2325	41825	23-May	70040 -0.03	

Global Markets		Currencies		Precious Metals		Previous Day's Fix	
Last	% Change	Last	% Change	Last	% Change	AM	PM
DAX	15791 -0.11	GBP	1.2359 -0.4350	Gold	1990.24 -0.6951	2035.65	2019.40
DJI	33838 -0.14	JPY	134.4900 -0.5205	Silver	24.96 -1.5484		2602.5
S&P500	4129 -0.21	EUR	1.0914 -0.7096	Gold Comex	2002.9 -0.640		
SSE	3386 1.42	CNY	6.8809 -0.1715	Platinum	1051.34 0.2517		
Hg Seng	20782 1.68	AUD	0.6689 -0.2684	Palladium	1563.54 3.716		
Brent	85 -1.96	CAD	1.3414 -0.2982				

Source: Bloomberg  
Updated: 17/04/2023 16:47

All price data is from 17.04.2023 as of 17:30

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