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Daily Base Metals Report

US stocks opened lower today, despite economic data pointing to softer labour, housing and business conditions. So far this year, softer economic releases, especially from the labour market, have acted as a risk-on incentive, as markets saw easing pressures on the central bank to hike. Now, the markets have nearly priced in a 25bps hike in May, and the focus is being shifted back to the economic outlook and, in turn, recessionary fears. While we do not yet see signs of contraction in the economy, we expect investors to pay closer attention to the signs of slowing momentum in the coming months. Initial jobless claims came in slightly higher than expected, at 245,000 in the week ending April 15th, whilst sales of previously-owned homes fell to 4.44m in March. The dollar weakened, and the 10yr US Treasury yield edged lower to 3.52%

Another day of the marginal downside was seen across the base metals complex today. Aluminium wavered, weakening sharply in the latter half of the day after prices rejected levels above \$2,460/t. Likewise, copper struggled above \$8,950/t and closed lower to \$8,881/t. Lead and zinc closed marginally lower at \$2,153/t and \$2,770/t, respectively. Zinc cash to 3-month spread has widened broadly in recent days, falling into contango of -\$12.50/t, November 2022 lows, as there were fewer spot arrivals in the market, greatly pushing up domestic premiums.

Oil futures continued to weaken as US slowdown fears overshadowed a substantial drawdown in crude stockpiles. WTI and Brent fell into \$77/bl and \$81/bl. Gold and silver saw some marginal upside today, as support levels at \$2,000/oz and \$25.00/oz held firm.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2445	2462	2415	2421	2450	21473	597144	-12.50	109.82
Copper	8954	8972	8838	8881	8970	16313	252334	-15.75	402.84
Lead	2149	2168	2134	2153	2146	4962	102303	31.00	97.66
Nickel	25460	25950	24925	25061	25550	2767	130553	-138.00	1136.76
Tin	27150	27400	26615	26940	27055	539	13959	180.00	1221.99
Zinc	2784	2802	2731	2770	2792	10297	172770	-12.50	125.65
					Total:	56351	1269063		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2410	2431	2588.93	2678.93	2427.4	2445	2341.541667	2375.708333
Copper	8875	8885	8832	8779	8947.75	8965.5	8911.416667	8915.083333
Lead	2184	2163	2190.75	2210.5	2178.5	2156	2145.625	2127.041667
Nickel	25540	25775	26278	27203	25420	25551	23684.58333	23939.58333
Tin	27250	27100			27275	27082	25651.66667	25528.75
Zinc	2755.5	2761	2752	2677	2782.25	2790	2831.583333	2818.208333

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	573575	200	1500	-1300	572275	68750	503525	Comex, USc/lb	
Copper	51175	1500	825	675	51850	5975	45875	MAY 23	407.7 -0.35
Lead	31350	900	0	900	32250	3875	28375	JUL 23	408.1 -0.38
Nickel	41736	0	198	-198	41538	4488	37050	Shanghai, CNY/mt	
Tin	1660	30	135	-105	1555	155	1400	23-Apr	0 0.00
Zinc	49075	5000	575	4425	53500	1900	51600	23-May	69480 -0.17

Global Markets	Currencies			Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15796	-0.62	GBP	1.2441	-0.0161	Gold	2004.79	-0.0005	1976.1 1990.55
DJI	33787	-0.33	JPY	134.2400	0.0000	Silver	25.29	-0.0198	2475
S&P500	4130	-0.60	EUR	1.0968	-0.0182	Gold Comex	2019.1	0.588	
SSE	3367	-0.09	CNY	6.8742	0.1527	Platinum	1097.43	0.0611	
Hg Seng	20397	0.14	AUD	0.6744	0.0148	Palladium	1594.52	0.0314	
Brent	81	-2.79	CAD	1.3475	0.0148				

Source: Bloomberg
Updated: 20/04/2023 22:04

All price data is from 20.04.2023 as of 17:30

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