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Daily Base Metals Report

US stocks drifted lower on Monday as corporate earnings results once again drove market appetite. PCE this week should point to prices softening in March, but until the central bank meeting takes place in May, we see a macro news vacuum. As a result, the markets are poised to trade sideways, given we see no strong headline. The dollar continued to edge lower but struggled to break the 101.50 level; the 10yr US Treasury yield found support at 3.50%, and forward swaps stood firm on a 23bps hike from the Fed before some easing in the latter half of the year. Elsewhere, we expect Eurozone growth to have come in slightly positive in Q1'23, reducing the risks of a technical recession given the Q4'22 flat performance. BOJ is set to meet this week, with all eyes on the new Governor Ueda, who may start the policy review. Last week's core reading of 3.8% y/y has put some pressure on the policymakers to reassess the current monetary policy approach.

Sentiment across Chinese markets soured today, with stocks experiencing the biggest two-day slide this year, and base metals felt the lingering effects of this risk-off momentum. Iron ore futures, a traditional gauge of Chinese physical demand, continued to weaken over the weekend, falling below the support level of \$100/mt to settle at \$103.91/mt, the December lows. Zinc and nickel, the two metals that are also used in stainless steel manufacturing, also felt the brunt of the decline, falling to close at \$2,676/t and \$24,605/t, respectively. Other metals saw more moderate declines, with aluminium falling to test the support at \$2,380/t and closing at \$2,382.50/t. Copper also struggled to break below the robust support of \$8,740/t.

Oil futures jumped higher after finding support at \$77/bl and \$80.50/t for WTI and Brent, respectively. Gold and silver remained unchanged.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2399	2400	2364	2382.5	2403	12387	598463	-20.50	108.07
Copper	8787	8818	8727	8745	8781	17477	251881	-20.50	396.67
Lead	2154	2158	2124	2145	2151	4000	103666	33.50	97.30
Nickel	24875	24880	23945	24605	24650	2124	131007	-79.50	1116.08
Tin	26205	26780	26030	26600	26150	295	13818	176.50	1206.57
Zinc	2723	2729	2664	2676	2718	8682	177149	-12.75	121.38
					Total:	44965	1275984		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2354.5	2373	2552.5	2645.5	2385.5	2396.5	2345.821429	2377.25	
Copper	8762.5	8778	8701.5	8653.5	8778.5	8794.5	8893.964286	8898.928571	
Lead	2164	2133	2182	2201.75	2196.25	2161	2151.107143	2130.178571	
Nickel	24130	24200	25802	26722	24394.5	24477	23762.85714	23997.85714	
Tin	26950	26650			26779	26594	25840.71429	25696.07143	
Zinc	2670	2680	2661.25	2590	2704.75	2719	2813.428571	2803.071429	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	571400	0	1800	-1800	569600	75650	493950	Comex, USc/lb		
Copper	51875	2000	0	2000	53875	3850	50025	MAY 23	402.55 -1.26	
Lead	32200	0	100	-100	32100	3725	28375	JUL 23	403.25 -1.19	
Nickel	41124	0	48	-48	41076	4170	36906	Shanghai, CNY/mt		
Tin	1535	0	0	0	1535	165	1370	23-Apr	0 0.00	
Zinc	53500	0	0	0	53500	2700	50800	23-May	68910 -0.82	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	15864	-0.11	GBP	1.2465	0.2654	Gold	1986.30	0.1634	1973.65
DJI	33755	-0.16	JPY	134.3800	-0.1637	Silver	25.16	0.2942	2515.5
S&P500	4124	-0.24	EUR	1.1032	0.4187	Gold Comex	1996.7	0.311	
SSE	3275	-0.78	CNY	6.8961	-0.0682	Platinum	1089.95	-3.3046	
Hg Seng	19960	-0.58	AUD	0.6683	-0.1345	Palladium	1523.78	-5.0664	
Brent	83	1.26	CAD	1.3544	-0.0517				

Source: Bloomberg
Updated: 24/04/2023 17:20

All price data is from 24.04.2023 as of 17:30

Risk warning

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