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Daily Base Metals Report

Another selloff in regional banks led the decline in US stocks today, with the moves from central banks lacking momentum to sway market appetite. US labour data showed that applications for US unemployment benefits rose by the most in six weeks, to 242,000 in the week ending April 29th, while continuing claims fell. Other data pointed to labour costs increasing by 6.3%, a jump from 3.3% in the prior period. A day after the Fed meeting signalled a potential pause in tightening, the ECB delivered a rate hike of 25bps, making it the smallest increase since the start of the tightening cycle. This puts the European policymakers on the path to increase rates further in the coming months, which could help prop up the euro and pressure the dollar. However, given the scale of today's move, the euro fell slightly, while the dollar remained supported above 101.50.

Metals jumped higher on the open following the Fed data release, but the risk-off sentiment prevailed during the day, sending the complex lower. Copper was the only metal that remained broadly unchanged, with support at \$8,500/t remaining firm. The greater deficit forecast out of Chile is supporting fundamentals for the metal, with Cochilco lifting the price forecast to \$3.90/lb, vs \$3.85/lb from three months ago. We continue to see a trend in base metals trading sideways, and today's downside moves were still supported by longer-term averages, suggesting markets remain cautious about the near-term outlook out of the current ranges. Aluminium declined, but support at \$2,290/t held firm; the metal closed at \$2,287/t. Likewise, zinc remained supported above \$2,600/t, while lead tested the \$2,100/t level. Tin saw protracted selling pressures during the day, erasing last week's gains to close at \$25,600/t.

Oil futures remained unchanged following consecutive days of declines. Gold and silver benefitted the most today, strengthening back to \$2,050/oz and \$25.90/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2320	2335	2284	2287	2323	17845	627382	-8.75	103.74
Copper	8467	8623	8467	8493.5	8489	19002	256123	-19.10	385.26
Lead	2120	2140	2099	2101.5	2120	4853	107659	-13.50	95.32
Nickel	24685	25220	23950	23997	24600	3221	134534	-35.00	1088.50
Tin	26425	26785	25385	25600	26700	578	14424	285.00	1161.21
Zinc	2617	2659	2598	2622.5	2617	7171	186580	-7.75	118.96
Total:						52670	1326702		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2297	2308	2466.55	2566.55	2312.99	2321	2326.666667	2335.333333	
Copper	8539	8557	8508.22	8508.22	8442.75	8468.5	8532.666667	8555.666667	
Lead	2126	2132	2140.75	2160.5	2127.75	2131	2147.333333	2145.5	
Nickel	25100	25150	25172	26087	24689	24743	24811.66667	24848.33333	
Tin	27000	26675			27062	26777	26975	26650	
Zinc	2611	2615	2618	2563	2623.25	2630	2613.333333	2616.166667	

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	565200	50	1950	-1900	563300	70350	492950	Comex, USc/lb		
Copper	67300	675	200	475	67775	1225	66550	MAY 23	383.15	-0.43
Lead	32300	300	0	300	32600	2825	29775	JUL 23	384.5	-0.45
Nickel	39966	0	336	-336	39630	3354	36276	Shanghai, CNY/mt		
Tin	1535	25	0	25	1560	180	1380	23-May	0	0.00
Zinc	52525	0	400	-400	52125	6675	45450	23-Jun	0	0.00

Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	15734	-0.51	GBP	1.2593	0.2308	Gold	2046.63	0.3757	2016.9	2014.30
DJI	33199	-0.64	JPY	134.0000	0.5299	Silver	25.96	1.5002		2525
S&P500	4068	-0.54	EUR	1.1027	-0.3164	Gold Comex	2054.8	0.874		
SSE	3350	0.82	CNY	6.9067	0.0854	Platinum	1042.94	-1.4178		
Hg Seng	19949	1.27	AUD	0.6702	0.4647	Palladium	1456.08	1.8373		
Brent	74	1.89	CAD	1.3526	0.6580					

Source: Bloomberg
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All price data is from 04.05.2023 as of 17:30

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