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# Daily Base Metals Report

US stocks climbed while Treasuries declined after data pointed to continued moderation in pricing pressures. US CPI softened below the 5.0% level for the first time in two years, down to 4.9% y/y; core softened marginally to 5.5%, down 10bps from last month. A narrower price measure showed an even more pronounced slowdown, with the smallest monthly increase since 2022 as airfares and hotel costs declined. The data has caused markets to price in a deeper cut by the end of the year, at 75bps worth. The dollar fluctuated but remained broadly unchanged on the day, and the 10yr US Treasury yield weakened slightly below 3.50%.

Base metals saw protracted weakness across the board after softer inflationary data. In particular, nickel suffered another day of robust losses, with prices declining back to the support level of \$22,000/t; the metal closed at \$22,540/t. Likewise, aluminium declined, but the support at \$2,250/t held firm, causing the metal to settle slightly higher at \$2,2671.50/t. Lead and zinc both closed lower at \$2,136.50/t and \$2,623.50/t, respectively. However, the losses in zinc were once again more protracted than in lead, as the weak stainless steel demand outlook continues to drive the risk-off sentiment. Iron ore futures remained supported above \$100/mt.

Oil futures remained broadly unchanged at \$72/bl and \$76/bl for WTI and Brent. Gold and silver jumped higher after the inflation release, but these gains struggled to hold up, and we saw prices return to \$2,024/oz and \$25.35/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2321	2325	2266	2271.5	2315	20299	626877	-8.25	103.03
Copper	8615	8641	8462	8492	8615	19861	252830	-38.75	385.19
Lead	2137	2145	2123	2131	2139	4488	111275	-6.80	96.66
Nickel	23535	23675	22455	22540	23475	4463	136161	-82.00	1022.41
Tin	26050	26130	25670	25970	25940	334	14378	318.00	1177.99
Zinc	2677	2682	2608	2624	2669	7711	184881	-14.10	119.02
<b>Total:</b>						<b>57156</b>	<b>1326402</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2276	2281	2445.75	2545.75	2315.5	2320	2309.083333	2317.666667	
Copper	8469	8503	8527.5	8527.5	8562.25	8591.5	8523	8547.666667	
Lead	2122.5	2137	2178.5	2200.5	2132.14	2137	2131.083333	2135.416667	
Nickel	23035	23050	23752	24677	23409.5	23507	24200	24249.16667	
Tin	26010	25950			26310	25995	26593.33333	26320.83333	
Zinc	2612	2628.5	2629.15	2584.15	2664.3	2674	2623.333333	2631.333333	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	561450	16350	7650	8700	570150	64875	505275	Comex, USc/lb		
Copper	71675	4050	350	3700	75375	225	75150	MAY 23	391.8	
Lead	32600	0	0	0	32600	2825	29775	JUL 23	392.95	
Nickel	39912	360	828	-468	39444	2328	37116	Shanghai, CNY/mt		
Tin	1610	30	30	0	1610	175	1435	23-May	67420	
Zinc	51225	0	825	-825	50400	5975	44425	23-Jun	67400	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	15896	-0.37	GBP	1.2623	0.0158	Gold	2026.72	-0.3853	2025.6
DJI	33401	-0.48	JPY	134.4100	0.6101	Silver	25.38	-0.8722	2556.5
S&P500	4122	0.08	EUR	1.0974	0.1095	Gold Comex	2033.6	-0.455	
SSE	3319	-1.15	CNY	6.9335	-0.1889	Platinum	1113.38	0.414	
Hg Seng	19762	-0.53	AUD	0.6766	0.0592	Palladium	1611.22	2.275	
Brent	77	-0.63	CAD	1.3371	0.0972				

Source: Bloomberg  
Updated: 10/05/2023 17:30

All price data is from 10.05.2023 as of 17:30

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