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Daily Base Metals Report

US stocks fell while Treasury yields jumped higher to highs not seen since 2007 after strong private hiring data added to the Fed's expectations of tightening. In particular, the 2yr yield tested the 5.11% level, while 10yr is now above 4.00%. The dollar remained above 103. ADP data pointed to the most jobs added in over a year in June, at 497,000, highlighting labour market resilience in the US. The forward swaps continue to price up their bets, with 35bps expected by the end of the year. At the same time, the service sector expanded at the fastest pace in four months, driven by the uptick in demand from the consumer side.

Mixed performance was seen across the base metals space today. Aluminium broke below the support of \$2,150/t to close at \$2,129/t – the September 2022 low. Meanwhile, tin shot up higher, breaking above the January high of \$29,000/t to close slightly below, at \$28,530/t. Tin ore supply remains in shortage, especially after the news of possible halts in some of the Myanmar mines, adding to the tight supply/demand balance sheet this year. As a result, some smelters incurred losses given the current concentrate TC prices. Elsewhere, copper edged lower to \$8,261.50/t. Lead and zinc closed marginally unchanged at \$2,050.50/t and \$2,363.50/t, respectively.

Oil futures fluctuated over the course of the day but settled pretty much unchanged, with WTI and Brent at \$71/bl and \$75/bl. Precious metals continue to drift lower; gold and silver are trading at \$1,908/oz and \$22.70/oz at the time of writing.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2140	2153	2127	2129	2137	13928	677361	-44.95	96.57
Copper	8312	8344	8236	8261.5	8323	13311	255035	-15.50	374.74
Lead	2067	2077	2046	2050.5	2066	6881	124284	7.75	93.01
Nickel	21150	21440	20925	21209	21190	2655	143959	-185.50	962.03
Tin	27630	29110	27500	28530	27560	793	16058	716.00	1294.11
Zinc	2353	2382	2345	2363.5	2354	5892	178230	-6.75	107.21
Total:						43460	1394927		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2103.5	2150	2288.5	2407.5	2097.25	2142.5	2101.5	2150.125	
Copper	8280	8295.5	8285.5	8300.5	8304	8319	8308.75	8319	
Lead	2059	2061	2059.25	2083.75	2060.75	2066	2095.875	2077.875	
Nickel	21135	21260	22254	23129	21030.5	21207	20442.5	20660	
Tin	29050	28380			28352	27633	28237.5	27488.75	
Zinc	2365	2372	2382.25	2392.25	2351	2357.5	2363.375	2371.375	

LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	539700	325	2150	-1825	537875	265625	272250	Comex, USc/lb		
Copper	67200	1000	3025	-2025	65175	25825	39350	JUL 23	375.35 -0.67	
Lead	42375	550	0	550	42925	2550	40375	SEP 23	376.85 -0.67	
Nickel	38364	0	96	-96	38268	2532	35736	Shanghai, CNY/mt		
Tin	3720	180	20	160	3880	50	3830	23-Jul	68210 -0.09	
Zinc	76475	0	1700	-1700	74775	12950	61825	23-Aug	67880 -0.03	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15529	-2.57	GBP	1.2731	0.2125	Gold	1911.24	-0.212	1928.3
DJI	33872	-1.21	JPY	144.0700	0.4095	Silver	22.71	-1.721	2281
S&P500	4402	-1.00	EUR	1.0874	0.1843	Gold Comex	1916.9	-0.529	
SSE	3206	-0.54	CNY	7.2494	0.0152	Platinum	906.28	-1.4988	
Hg Seng	18533	-3.02	AUD	0.6624	-0.4658	Palladium	1242.92	-1.0997	
Brent	76	-0.81	CAD	1.3361	-0.5913				

Source: Bloomberg
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All price data is from 06.07.2023 as of 17:30

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