

Authors

Daria Efanova
Head of Research

SAT 15 JULY 2023 00:10

Daily Base Metals Report

US stocks continued to edge higher after a positive start to the earnings season, with key banks' performances surprising on the upside. US consumer sentiment jumped higher in July, nearing a two-year high, supported by easing inflation and a robust labour market. Meanwhile, short-term inflationary expectations eased into 3.3%, with a 10-year ahead figure at 3.1%. Softening inflationary pressures this week helped to bolster sentiment across the board, as markets hope for a soft-landing to be taking place this year. The dollar, however, continues to feel the pain from a change of sentiment; the index tried to breach back above the 100 level once again but struggled. The 10yr yield is now at 3.80%.

The dollar weakness continued to support metals' gains this week; however, the momentum seemed to have slowed on Friday. Aluminium struggled to break the \$2,300/t resistance to close at \$2,276.50/t. Likewise, copper tested the highs of \$8,720/t before softening back into \$8,673.50/t. Tin tested the \$29,000/t level once again, suggesting markets have an appetite for further upside potential. Lead and zinc closed at \$2,122.50/t and \$2,439/t, respectively.

Oil futures, in line with metals, softened after hitting technical resistance, causing WTI and Brent to trade at \$75/bl and \$80/bl. Gold and silver remained unchanged at \$19,60/oz and \$24.90/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2279	2292	2263	2276.5	2283	17195	705931	-44.15	103.26
Copper	8709	8720	8612	8673.5	8707	20325	271642	-11.75	393.43
Lead	2122	2131	2103	2122.5	2118	4963	119183	-6.25	96.28
Nickel	21235	21750	21090	21630	21230	2648	144831	-229.50	981.13
Tin	28390	29050	28390	28543	28800	301	16093	295.00	1294.70
Zinc	2470	2483	2427	2439	2475	6880	190545	-20.25	110.63
Total:						52312	1448225		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2225	2269	2432.5	2548.5	2237.25	2278	2132.55	2179.2
Copper	8651	8666	8686.75	8686.75	8687	8694	8379.4	8390.9
Lead	2114	2125	2145.5	2167.25	2126.5	2127	2086.55	2076.7
Nickel	21305	21550	22713	23613	21082	21294	20669	20888
Tin	29025	28750			29104	28809	28652.5	28086
Zinc	2413	2438	2460.25	2468.25	2460.25	2479	2372.85	2386.35

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	532100	0	3625	-3625	528475	248950	279525	Comex, USc/lb	
Copper	54225	4025	1575	2450	57175	9625	47050	JUL 23	392.95 2.28
Lead	46650	825	75	750	47400	2250	45150	SEP 23	394 2.26
Nickel	37482	0	24	-24	37458	1986	35472	Shanghai, CNY/mt	
Tin	4345	180	55	125	4470	#N/A N/A	#VALUE!	23-Jul	69760 1.45
Zinc	71750	0	975	-975	70775	11300	59475	23-Aug	69450 1.46

Global Markets			Currencies			Precious Metals			Previous Day's Fix
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	16105	-0.22	GBP	1.3093	-0.3273	Gold	1955.21	-0.2703	1959.6 1958.05
DJI	34509	0.33	JPY	138.8000	-0.5403	Silver	24.95	0.2801	2426
S&P500	4505	-0.10	EUR	1.1228	0.0178	Gold Comex	1964.4	0.031	
SSE	3238	0.04	CNY	7.1420	0.1022	Platinum	976.24	-0.0839	
Hg Seng	19414	0.33	AUD	0.6838	-0.7403	Palladium	1277.84	-1.3906	
Brent	80	-2.04	CAD	1.3216	-0.8021				

Source: Bloomberg
Updated: 14/07/2023 17:30

All price data is from 14.07.2023 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).