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Daily Base Metals Report

US stocks declined following the bond market sell-off as markets grew increasingly worried about rising borrowing costs. The 10yr US Treasury yield is now at 4,17%, while the dollar continued to strengthen, growing for the fourth straight day. Meanwhile, US initial jobless claims have once again underscored the labour market resilience, growing to 227,000 in the week ending July 29th. The US service sector expanded at a more moderate pace last month, indicating that the upside momentum might be slowing; the index gains were restrained by weakening employment growth in the sector. Elsewhere, the BOE increased key interest rates by 25bps, in line with market expectations, and following comments from policymakers reaffirmed the bets for further tightening; forward swaps are now pricing in 47bps of increases into the year-end.

Base metals remained broadly unchanged today, holding the robust support level intact following the recent weakness. Support at \$2,200/t is holding firm for aluminium, as futures tested prices below this level before returning to \$2,230/t. Likewise, as mentioned in our yesterday's comment, copper's trend support at \$8,520/t was reaffirmed today; the metal closed at \$8,611/t. Tin bounced back above \$28,000/t, suggesting that fundamental market tightness is still in place, prompting tin to close at \$28,023/t. Lead and zinc remained unchanged, settling at \$2,157/t and \$2,485/t, respectively.

Oil futures jumped higher after Saudi Arabia extended its unilateral oil production cut by another month, stating that it could be prolonged further or even extended. WTI and Brent are now trading at \$81/bl and \$84/bl. Gold and silver were broadly unchanged on the day.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2213	2233	2194	2230	2210	17638	687282	-50.20	101.15
Copper	8512	8640	8463	8611	8506	17374	285172	-40.50	390.59
Lead	2148	2165	2133	2157	2147	4070	118134	-7.25	97.84
Nickel	21655	21700	21405	21607	21550	2283	149670	-238.00	980.09
Tin	27380	28450	27380	28023	27290	636	15414	-77.00	1271.11
Zinc	2488	2505	2447	2485	2491	8016	200320	4.25	112.72
				Total:		50017	1455992		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2147	2195	2402	2525	2158.76	2209	2180.166667	2228	
Copper	8472	8517	8679.5	8719.5	8469.24	8509.5	8579.166667	8624.666667	
Lead	2139.5	2147.5	2171.75	2184.75	2145.25	2146.5	2145.166667	2147.666667	
Nickel	21300	21450	22759	23739	21339	21560	21785	21998.33333	
Tin	27550	27725			27308	27418	27453.33333	27610	
Zinc	2462.5	2461.5	2509.5	2514.5	2479.5	2482.5	2514.5	2516.833333	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	502775	5075	2750	2325	505100	224850	280250	Comex, USc/lb		
Copper	75275	1600	0	1600	76875	450	76425	SEP 23	400.8 2.08	
Lead	55225	1050	150	900	56125	6175	49950	DEC 23	402.5 1.91	
Nickel	37206	0	234	-234	36972	1422	35550	Shanghai, CNY/mt		
Tin	5275	0	0	0	5275	60	5215	23-Aug	70700 1.62	
Zinc	99225	0	1300	-1300	97925	33900	64025	23-Sep	70490 1.48	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15893	-0.79	GBP	1.2711	0.0000	Gold	1934.33	-0.0062	1949.7 1944.20
DJI	35216	-0.19	JPY	142.4900	0.5825	Silver	23.58	-0.568	2441
S&P500	4502	-0.25	EUR	1.0949	0.1006	Gold Comex	1969.6	-0.273	
SSE	3280	0.58	CNY	7.1697	0.3055	Platinum	917.65	-0.6087	
Hg Seng	19421	-0.49	AUD	0.6551	0.1988	Palladium	1256.25	0.7442	
Brent	85	2.54	CAD	1.3352	-0.0150				

Source: Bloomberg
Updated: 03/08/2023 17:30

All price data is from 03.08.2023 as of 17:30

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