

## Authors

Daria Efanova  
Head of Research

---

WED 09 AUGUST 2023 08:10

# Daily Base Metals Report

US stocks declined today as lacklustre economic data weighed on global risk sentiment. The US trade deficit shrank in June to \$2.8bn – the lowest level since 2022<sup>1</sup>, reflecting moderating consumer demand for merchandise. The dollar edged higher, and the 10yr US Treasury yield is now back at 4.00%. Elsewhere, Italy's tax on the industry's profits is said to have erased as much as \$11bn from the value of the country's banks, fuelling further concerns surrounding the banking sector security.

Chinese commodities weakened after a disappointing array of data releases. In particular, the country's trade plunged in July as slowing global demand for goods weighed on total exports, while domestic pressures stifled the flow of imports into the economy. Meanwhile, ahead of the CPI data out tomorrow, signs are appearing to suggest that producers are now cutting prices from a year ago to adjust for lower demand. CPI is expected to have contracted by 0.4% y/y in July, the first yearly decline since early 2021. Copper breached the \$8,400/t level during the day but struggled below \$8,350/t as it closed slightly above it at \$8,347.50/t. Nickel fell for the fifth straight day, testing the \$21,000/t support level. Aluminium's support at \$2,200/t held firm, as the metal closed at \$2,200.50/t at the time of writing. Lead and zinc both weakened to close at \$2,125/t and \$2,456/t, respectively.

Oil futures fluctuated around the \$81/bl and \$85/bl levels for WTI and Brent, respectively. Gold and silver continued to weaken to \$1,927/oz and \$22.80/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2230	2233	2191	2200.5	2227	15530	680296	-50.40	99.68
Copper	8500	8517	8275	8347.5	8496	32421	284955	-47.50	378.64
Lead	2134	2140	2111	2125	2133	3545	120083	-10.07	96.32
Nickel	21305	21310	20765	20841	21125	3238	151496	-239.00	950.06
Tin	27730	27800	27175	27300	27845	311	15779	-125.00	1235.83
Zinc	2501	2501	2418	2456	2491	12006	202039	30.25	111.45
				Total:		67051	1454648		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	
							Cash	3M
Aluminium	2143	2195	2400.25	2520.25	2180.25	2230	2171.25	2220
Copper	8276	8325	8576	8621	8436.11	8485	8493.166667	8541
Lead	2110	2119.5	2137	2150	2128.75	2138	2136.083333	2142.75
Nickel	20650	20850	22269	23269	20863	21102	21372.5	21600.83333
Tin	27550	27600			27684	27756	27614.16667	27688.33333
Zinc	2448	2425	2475.5	2480.5	2510	2496.5	2495.583333	2491.916667

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	501325	0	2425	-2425	498900	221225	277675	Comex, USc/lb		
Copper	79325	1000	25	975	80300	350	79950	SEP 23	383.5	-0.84
Lead	56525	0	0	0	56525	6875	49650	DEC 23	386.4	-0.77
Nickel	37044	0	0	0	37044	1122	35922	Shanghai, CNY/mt		
Tin	5555	50	0	50	5605	60	5545	23-Aug	69030	-0.10
Zinc	91650	3275	4925	-1650	90000	23900	66100	23-Sep	68900	-0.07

#### Global Markets

	% Change			Last	% Change		% Change	AM	PM
DAX	15775	-1.10	GBP	1.2726	-0.4537	Gold	1925.80	-0.5556	1936.9
DJI	35121	-0.99	JPY	143.2100	-0.4958	Silver	22.71	-1.8289	2339.5
S&P500	4473	-1.01	EUR	1.0951	-0.4636	Gold Comex	1960.2	-0.497	
SSE	3261	-0.25	CNY	7.2177	-0.3408	Platinum	901.49	-2.471	
Hg Seng	19184	-1.81	AUD	0.6516	-0.8672	Palladium	1225.75	-1.6678	
Brent	85	-0.21	CAD	1.3459	-0.6613				

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

All price data is from 08.08.2023 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](http://www.sucdenfinancial.com/en/risk-warning-and-disclaimers)).