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Daily Base Metals Report

US stocks fluctuated, given that economic data today remained broadly within expectations. US GDP for Q2 was revised lower, given a more moderate business investment, down to 2.1%; this decline outweighed the strong personal consumption figure, which was upgraded by 10bps to 1.7%. The core PCE price index was also seen slightly lower. Overall, the US economy remains robust, albeit moderating, further reaffirming the belief of a Fed pause this year. Meanwhile, the ADP data pointed to the fewest jobs added in five months, adding to signs of moderating labour demand. The 10-year US Treasury yield edged lower. The dollar weakened while the euro rose as inflation slowed by less than the market had anticipated in Germany and quickened in Spain; still, expectation of a hike remained unchanged.

A moderate trading day was seen across the base metals complex, as prices have fluctuated across the board. Zinc retested the \$2,450/t level but struggled above it, closing at \$2,435/t. In the meantime, refined zinc imports into China jumped to the highest level in four years after government stimulus supported local prices, creating stronger incentive for inbound shipments. Copper remained above \$8,400/t, the level around which we expect the metal to fluctuate around in the near term. Aluminium saw stronger gains, testing the resistance of \$2,200/t before settling at \$2,201.50/t. The Chinese government is continuing to provide support for the economy, aiming to stimulate local spending. New policies are being introduced, from cutting taxes on equity trading to lowering mortgage rates; however, this move is yet to prove successful. Domestic expenditure remains lacklustre, and many consumers are awaiting more steps from the government to incite spending.

Gold and silver remained broadly unchanged at \$1,944/oz and \$24.65/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2173	2207	2165	2201.5	2168	17084	668188	-39.00	99.93
Copper	8449	8482	8406	8472.5	8455	13815	280214	-23.68	384.13
Lead	2186	2213	2174	2182.5	2185	7309	131103	13.50	98.95
Nickel	20675	20765	20395	20631	20685	2113	153524	-197.00	936.22
Tin	25380	25600	25260	25475	25340	437	15093	-315.00	1155.77
Zinc	2446	2469	2426	2435	2447	8834	196777	-17.75	110.29
				Total:		49592	1444899		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2140.5	2179.5	2321	2457.25	2128.5	2168.5	2132.666667	2180.809524	
Copper	8394.5	8435	8544	8598	8411	8448.5	8351.404762	8393.071429	
Lead	2221	2203	2198	2216.25	2213.51	2191.5	2148.785714	2146.309524	
Nickel	20235	20455	21825.03	22875.03	20486	20683	20510.71429	20749.04762	
Tin	24950	25325			25139	25395	26042.61905	26263.09524	
Zinc	2425.5	2444	2476	2486.75	2428.5	2440	2400.47619	2403.547619	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	524025	2375	9025	-6650	517375	284775	232600	Comex, USc/lb		
Copper	97650	1600	25	1575	99225	250	98975	SEP 23	379.45	
Lead	54875	0	200	-200	54675	8050	46625	DEC 23	383.9	
Nickel	36936	294	24	270	37206	852	36354	Shanghai, CNY/mt		
Tin	6215	0	10	-10	6205	115	6090	23-Sep	69530	
Zinc	149025	25	1175	-1150	147875	30525	117350	23-Oct	69300	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15892	-0.24	GBP	1.2718	0.5853	Gold	1944.20	0.3437	1923.5
DJI	34901	0.14	JPY	146.0400	-0.1096	Silver	24.64	-0.3264	2422
S&P500	4514	0.36	EUR	1.0920	0.3676	Gold Comex	1972	0.351	
SSE	3137	0.04	CNY	7.2852	-0.0618	Platinum	976.9	-0.5882	
Hg Seng	18483	-0.01	AUD	0.6488	0.1080	Palladium	1230.06	-1.5952	
Brent	86	0.06	CAD	1.3526	0.1922				

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

All price data is from 30.08.2023 as of 17:30

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