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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

Risk warning

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