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Daily Base Metals Report

US stocks strengthened today ahead of Powell's speech today as investors awaited on further guidance on monetary policy. Meanwhile, we have heard a number of policymakers this week mention that rates are likely to remain unchanged in December, though they showed little emphasis on the timing and scale of cuts next year, maintaining a higher-for-longer narrative intact. We expect that the bond strength might prompt policymakers to warn the market about excessive optimism surrounding the timing of interest rate cuts. The dollar is now trading at 103.20, and the 10-year US Treasury yield struggled above 4.30%.

China's Caixin manufacturing performance jumped into expansionary territory for the first time since September, beating market expectations at 50.7. This comes a day after another manufacturing index pointed to protracted contraction in the sector. The Caixin estimate usually tends to exceed that of official performance; however, cumulatively, surveys indicate a marginal improvement month-on-month. We will watch out for hard data to drive our sentiment in regard to activity in the region. Still, positive data supported price momentum on the upside. Copper breached the robust \$8,500/t resistance level to close at \$8,610.50/t. Aluminium tried to breach the \$2,200/t once again but failed below this level, coming back to \$2,209/t. Zinc and tin jumped higher to settle at \$2,509.50/t and \$23,748/t, respectively.

Oil futures remained in the lower range as investors continued to assess the impact of the recent OPEC+ cut announcement. Gold and silver jumped higher in the second half of the day to \$2,060/oz and \$25.40/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2198	2217	2183	2209	2194	20946	663907	-36.75	100.06
Copper	8477	8615	8455	8610.5	8470	31483	265661	-71.98	390.39
Lead	2132	2145	2113	2119	2127	7857	143959	-33.00	96.53
Nickel	16615	17090	16470	17042	16635	4599	181021	-196.00	769.98
Tin	23395	23905	23335	23748	23190	860	16841	-256.99	1081.83
Zinc	2479	2523	2455	2509.5	2473	10573	202211	-4.00	114.37
					Total:	76318	1473600		

	Official Prices						Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2147.5	2185	2328.75	2448.75	2155.76	2193	2147.5	2185
Copper	8456	8535	8788.24	8923.24	8387.5	8464.5	8456	8535
Lead	2099	2124	2141.5	2164.5	2092.2	2123	2099	2124
Nickel	16655	16900	17849	18814	16438	16645	16655	16900
Tin	23250	23600			22984	23246	23250	23600
Zinc	2465.5	2475	2538.75	2558	2466.75	2475.5	2465.5	2475

	LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	459375	0	5000	-5000	454375	257850	196525	Comex, USc/lb		
Copper	175250	100	1100	-1000	174250	34525	139725	DEC 23	382.9	1.14
Lead	141575	500	2750	-2250	139325	50250	89075	MAR 24	385.05	0.65
Nickel	46338	0	24	-24	46314	2976	43338	Shanghai, CNY/mt		
Tin	8110	0	45	-45	8065	725	7340	23-Nov	68690	0.45
Zinc	226250	50	2025	-1975	224275	19525	204750	23-Dec	68330	0.26

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	16398	1.12	GBP	1.2685	0.4832	Gold	2059.35	1.1265	2037.85	2035.45
DJI	36158	0.57	JPY	147.0200	0.8026	Silver	25.35	0.3166		2502
S&P500	4587	0.43	EUR	1.0874	-0.1286	Gold Comex	2079	1.060		
SSE	3032	0.06	CNY	7.1325	0.0351	Platinum	929.88	0.0377		
Hg Seng	16830	-1.25	AUD	0.6660	0.8327	Palladium	1005.43	-0.4042		
Brent	81	0.21	CAD	1.3493	0.5040					

Source: Bloomberg
Updated: 01/12/2023 17:30

All price data is from 01.12.2023 as of 17:30

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