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# Daily Base Metals Report

US stocks fluctuated today at the start of the week that will bring major central banks' interest rate decisions. While the Fed will likely leave the interest rates unchanged this week, the policymakers' narrative will be watched closely to assess the timing of future rate cuts. We expect the Fed to reiterate the importance of higher interest rates for longer to avoid cut expectations becoming a self-fulfilling prophecy. The dollar strengthened, breaching 104.15 level, while the 10yr US Treasury yield jumped higher to 4.26%. Elsewhere, there has been a repricing in eurozone interest rates with more rate cuts expected next year as inflation softens at a quicker pace than predicted by the policymakers. Markets are not expecting a change in interest rates from the ECB nor BoE, but all eyes will be on the policymakers' rhetoric regarding timing of possible rate cuts next year.

Elsewhere, a more downbeat sentiment is growing across Asian markets following a sharp price decline in China, both from CPI and PPI contracted, bringing forward speculations that the Chinese government might step up the support. This added to a slow start for the base metals complex this week, with dollar strength keeping a lid on prices. CPI numbers and the FOMC might bring some noise later on in the week; however, with the end of the year approaching, the longer-term volatility is poised to quiet down. This is especially true if data comes in line with expectations. Aluminium continued to break new lows, closing below the \$2,125/t level at \$2,117/t. Likewise, copper is once again struggling above \$8,400/t, edging lower to \$8,341/t. Zinc saw a narrow range as it struggled to break below the \$2,400/t support, closing higher at \$2,407/t. Likewise, lead jumped back above \$2,050/t to \$2,057/t.

Precious metals continued on the downside with gold depreciating to \$1,982/oz, and silver falling to \$22.76/oz. WTI and Brent remained mostly flat at \$71.02/bl and \$75.70/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2139	2141	2116	2117	2134	16018	676734	-45.61	96.21
Copper	8439	8439	8327	8341	8438	16388	287622	-87.50	378.59
Lead	2025	2066	2021	2057	2023	6855	144653	-41.00	93.46
Nickel	16805	16860	16455	16607	16805	2435	183621	-205.00	750.02
Tin	24460	24605	24305	24359	24565	304	16917	-224.00	1104.51
Zinc	2392	2421	2376	2407	2390	8984	202345	-10.75	109.82
<b>Total:</b>						<b>50984</b>	<b>1511892</b>		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	3M
Aluminium	2082.5	2127	2258.25	2382.25	2091.51	2134	2118.214286	2158.642857
Copper	8275.5	8362	8611.25	8727	8366.25	8448.5	8324.785714	8406.642857
Lead	1985	2026.5	2079.5	2104.5	1984.5	2025.5	2030	2063.5
Nickel	16305	16550	17649	18594	16608	16806	16317.85714	16572.85714
Tin	24260	24500			24339	24567	24040.71429	24260.71429
Zinc	2374.5	2388	2446	2473	2383.75	2399.5	2426.357143	2435.357143

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	453225	1150	2000	-850	452375	244500	207875	Comex, USc/lb		
Copper	181600	2250	1650	600	182200	47975	134225	DEC 23	382	0.94
Lead	133675	0	2825	-2825	130850	31000	99850	MAR 24	383.05	0.87
Nickel	48264	0	126	-126	48138	2424	45714	Shanghai, CNY/mt		
Tin	8025	55	0	55	8080	935	7145	23-Dec	68690	0.53
Zinc	215450	0	450	-450	215000	54475	160525	24-Jan	68420	0.93

#### Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	16794	0.21	GBP	1.2547	-0.0159	Gold	1981.52	-1.1548	2008.10
DJI	36334	0.24	JPY	146.4500	-1.0242	Silver	22.78	-0.9591	2379
S&P500	4603	-0.03	EUR	1.0745	-0.1672	Gold Comex	1997	-0.869	
SSE	2991	0.74	CNY	7.1771	-0.0961	Platinum	915.05	-0.6083	
Hg Seng	16201	-0.81	AUD	0.6561	-0.2736	Palladium	962.38	1.652	
Brent	76	0.21	CAD	1.3568	0.1106				

Source: Bloomberg  
Updated: 11/12/2023 17:30

All price data is from 11.12.2023 as of 17:30

#### Risk warning

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