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Daily Base Metals Report

US stocks strengthened today following worse-than-expected GDP data from the world's largest economy which confirmed that the prolonged period of high borrowing costs has had an impact on US economic performance. GDP data pointed to economic growth in Q3 at 4.9% YoY, compared to 5.2% in Q2. At the same time the labour market remains tight with both initial jobless claims and continuing claims in the first weeks of December below expectations at 205k and 1865k, respectively. The dollar depreciated against other major currencies and stood at 101.88 while the 10yr US Treasury yield remained mostly flat, hovering around the 3.85% level.

Another day of lacklustre activity across the LME as the market heads into the year-end. Aluminium downside stalled as the metal struggled below the \$2,200/t mark, close at \$2,244/t. Likewise, copper remained elevated at \$8,595.50/t. We believe that as we start the new year, the seasonal activity will pick up and push prices above the robust \$8,600/t resistance level. With Chinese pessimism now fully priced in, we expect any policy support and data improvements to push nickel prices higher in Q1 2024. Moreover, while we remain constructive on the dollar, any downside will also create further tailwinds for copper prices. Lead and zinc remained unchanged at \$2082.50/t and \$2573/t, respectively.

Both gold and silver jumped higher and stood at \$2042.84/oz. and \$24.38/oz., respectively. Oil fluctuated today with WTI trading at \$73.45/bl. while Brent appreciated to \$78.95/bl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2237	2248	2222	2244	2246	14225	666660	-46.50	101.79
Copper	8554	8630	8532	8595.5	8596	14915	279700	-87.00	389.89
Lead	2073	2083	2062	2066	2078	3207	139984	-30.25	93.71
Nickel	16775	17050	16525	16888	16775	3716	176333	-229.50	766.03
Tin	25165	25250	25000	25153	25165	389	16354	-237.00	1140.93
Zinc	2565	2577	2539	2547	2570	8335	193443	-12.00	115.53
					Total:	44787	1472474		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2180	2233	2363.25	2483.25	2186.26	2241		2142.3	2187.466667
Copper	8460	8550	8691	8736	8488.5	8582.5		8364.766667	8452.633333
Lead	2046.5	2074	2085.85	2110.6	2048	2082.5		2034.7	2068.466667
Nickel	16670	16810	17658.5	18548.5	16621	16854		16397.66667	16648.33333
Tin	24775	25050			24968	25203		24458.33333	24691.33333
Zinc	2553.5	2564	2588.5	2609.5	2559	2573		2472.7	2479.1

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	509800	1975	3625	-1650	508150	222800	285350	Comex, USc/lb		
Copper	166675	975	2200	-1225	165450	32400	133050	DEC 23	390.15	0.14
Lead	126300	2800	1125	1675	127975	55750	72225	MAR 24	390.6	0.21
Nickel	53724	0	48	-48	53676	5976	47700	Shanghai, CNY/mt		
Tin	8040	15	325	-310	7730	1050	6680	23-Jan	68860	-0.10
Zinc	230600	1750	1600	150	230750	42850	187900	24-Feb	68810	-0.06

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	16687	-0.27	GBP	1.2691	0.0079	Gold	2049.38	0.1676	2036.35	2035.55
DJI	37404	0.87	JPY	142.1600	-0.0281	Silver	24.45	0.1905		2397
S&P500	4747	1.03	EUR	1.1010	-0.0091	Gold Comex	2060.8	0.463		
SSE	2919	0.57	CNY	7.1378	0.0112	Platinum	967.98	-0.0041		
Hg Seng	16621	0.04	AUD	0.6799	-0.0441	Palladium	1219.93	0.2836		
Brent	79	-0.39	CAD	1.3282	0.0075					

Source: Bloomberg
Updated: 21/12/2023 17:30

All price data is from 21.12.2023 as of 17:30

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