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TUE 09 JANUARY 2024 00:10

Daily Base Metals Report

US stocks fluctuated today as the markets await CPI data, which is due on Thursday. Expectations of rapid interest rate cuts that we saw at the end of last year have softened now as we enter a data-dependent territory. The 10-year US Treasury yield tested the 4% level and fell back down to 3.97% while the dollar index declined slightly to 102.08. Elsewhere, eurozone retail sales data showed another month of lacklustre sales in the common currency area, with November reading at -1.1%, slightly higher than the -1.5% recorded in the previous month. Tomorrow's unemployment data will paint a better picture of the eurozone labour market, impacting the ECB's decision regarding the timing of the first interest rate cuts.

Base metals continued last week's trend on Monday, as a lack of strong macro moves prompted a continuation of technical trading. Investors are awaiting the inflation print on Thursday, which we expect will bring more volatility to the base metals complex. In the meantime, aluminium continued to erase gains made by the end of last year, returning to the longer-term average of \$2,250/t; the metal closed at \$2,236.50/t. Copper, on the other hand, struggled to breach the support level of \$8,400/t, trading at \$8,448/t. Lead and nickel remained unchanged at \$2,063/t and \$16,303/t, respectively.

Precious metals fluctuated today. Gold tested the \$2,020/oz level and jumped back to \$2,033/oz while silver remained mostly unchanged at \$23.15/oz. Oil traded on the downside with WTI and Brent falling to \$70.52/bl and \$75.78/bl, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|-----------|-------|-------|-------|-----------|---------------|--------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2275 | 2276 | 2234 | 2236.5 | 2272 | 19174 | 701242 | -47.00 | 101.58 |
| Copper | 8431 | 8463 | 8378 | 8448 | 8415 | 22545 | 276315 | -107.00 | 382.95 |
| Lead | 2076 | 2087 | 2056 | 2063 | 2076 | 4551 | 140666 | -33.25 | 93.58 |
| Nickel | 16340 | 16475 | 16100 | 16303 | 16345 | 4768 | 183688 | -220.50 | 738.91 |
| Tin | 24610 | 24650 | 24295 | 24500 | 24670 | 351 | 16315 | -285.00 | 1110.86 |
| Zinc | 2553 | 2553 | 2491 | 2509 | 2544 | 9345 | 203365 | -26.49 | 113.56 |
| | | | | | Total: | 60734 | 1521591 | | |

| Official Prices | Monthly Avg | | | | | | | |
|-----------------|-------------|--------|----------|----------|---------|--------|--------|--------|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M |
| Aluminium | 2205.5 | 2253 | 2530.5 | 2645.5 | 2227.75 | 2273.5 | 2249.7 | 2296.8 |
| Copper | 8295 | 8402.5 | 8612 | 8632 | 8361 | 8463 | 8365.5 | 8468.9 |
| Lead | 2030 | 2061 | 2105 | 2138 | 2042.25 | 2076 | 2024.8 | 2057.6 |
| Nickel | 15930 | 16200 | 18027 | 18902 | 16151.5 | 16372 | 16094 | 16347 |
| Tin | 24400 | 24600 | | | 24342 | 24622 | 24745 | 24986 |
| Zinc | 2486 | 2512 | 2561 | 2561 | 2538 | 2562.5 | 2542.2 | 2565.3 |

| LME Stocks (tonnes) | Other Copper Markets | | | | | | | | | |
|---------------------|----------------------|-------|------|------------|---------|------------|--------------|------------------|--------|----------|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | | % Change |
| Aluminium | 558175 | 14525 | 3600 | 10925 | 569100 | 180300 | 388800 | Comex, USc/lb | | |
| Copper | 163175 | 0 | 1450 | -1450 | 161725 | 21500 | 140225 | MAR 24 | 386.15 | -0.49 |
| Lead | 127725 | 0 | 1325 | -1325 | 126400 | 41825 | 84575 | MAY 24 | 388.1 | -0.46 |
| Nickel | 64536 | 360 | 0 | 360 | 64896 | 6360 | 58536 | Shanghai, CNY/mt | | |
| Tin | 7450 | 0 | 0 | 0 | 7450 | 855 | 6595 | 23-Jan | 68510 | -0.28 |
| Zinc | 220050 | 0 | 1675 | -1675 | 218375 | 51825 | 166550 | 24-Feb | 68420 | -0.29 |

| Global Markets | | Currencies | | Precious Metals | | Previous Day's Fix | | | | |
|----------------|----------|------------|------|-----------------|---------|--------------------|---------|---------|--------|---------|
| Last | % Change | | Last | % Change | Last | % Change | AM | PM | | |
| DAX | 16716 | 0.74 | GBP | 1.2762 | 0.3302 | Gold | 2033.54 | -0.5823 | 2037.7 | 2056.35 |
| DJI | 37385 | -0.22 | JPY | 143.9300 | 0.4863 | Silver | 23.19 | 0.0086 | | 2298 |
| S&P500 | 4723 | 0.55 | EUR | 1.0975 | 0.2924 | Gold Comex | 2040 | -0.478 | | |
| SSE | 2888 | -1.42 | CNY | 7.1530 | -0.0825 | Platinum | 955.42 | -0.9085 | | |
| Hg Seng | 16224 | -1.88 | AUD | 0.6718 | 0.0745 | Palladium | 1002.42 | -2.7306 | | |
| Brent | 76 | -3.89 | CAD | 1.3364 | -0.0075 | | | | | |

Source: Bloomberg
Updated: 08/01/2024 17:30

All price data is from 05.01.2024 as of 17:30

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