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FRI 26 JANUARY 2024 00:10

Daily Base Metals Report

US stocks opened higher today following GDP data that pointed to higher-than-expected growth in the fourth quarter of 2023 at 3.3% QoQ, primarily due to robust consumer spending. The dollar rose to 103.56 against other major currencies while the 10-year US Treasury yield gave back yesterday's gains and stood at 4.12%. Given strong economic performance and growing divergence from other major economies, we expect the dollar to remain elevated in the coming months. We see little downside to the greenback's performance. Moreover, as there is a lack of liquidity across riskier assets, the dollar creates another avenue for those who wish to hold a safe bet in their portfolios. The Fed's preferred gauge of inflation - the Personal Consumption Expenditure (PCE) index - will be closely watched by investors tomorrow to help them form expectations for the first interest rate cuts.

Today's macro upside struggled to push metal prices significantly higher, given the recent day's rally. Aluminium once again struggled above \$2,250/t, trading at \$2,238/t. In comparison to the seasonal performance of 2022 and 2023, aluminium has opened on the back foot but is still in line with the longer-term average. A balanced global market provides little incentive for the metal to trade outside of the current ranges, and we expect sideways moves in the near term. Likewise, copper tested the \$8,600/t level before rejecting prices above it and coming down to \$8,566/t. Lead and zinc saw upside momentum stall, with prices trading at \$2,142/t and \$2,583.50/t, respectively.

Gold made up some of yesterday's losses, standing at \$2020.8/oz, while silver edged higher to \$22.86/oz. Oil continued on the upside, with WTI and Brent crude touching an 8-week high, trading at \$76.27/bl and \$81.24/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2223	2244	2205	2238.5	2222	20453	703586	-35.48	101.54
Copper	8558	8599	8529	8568.5	8568	22713	278930	-91.00	388.66
Lead	2151	2168	2124	2151	2151	9444	134557	8.84	97.57
Nickel	16650	16775	16450	16701	16670	4040	193524	-232.00	757.55
Tin	26465	26780	26300	26648	26550	760	17037	-188.20	1208.75
Zinc	2581	2606	2567	2580	2587	9715	215549	-3.00	117.03
Total:						67125	1543183		

Official Prices	Monthly Avg							
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2188.5	2230	2481.77	2586.77	2191.28	2229.5	2188.19444	2233.333333
Copper	8486	8579	8697	8722	8472.49	8562.5	8318.416667	8415.666667
Lead	2169	2157.5	2200.05	2233.05	2172.12	2162	2069.888889	2091.388889
Nickel	16360	16625	18184	18949	16416	16648	16053.88889	16293.88889
Tin	26450	26650			26324	26509	24983.33333	25225.27778
Zinc	2595	2596	2627.73	2626.73	2580.25	2584.5	2512.611111	2531.111111

LME Stocks (tonnes)	Other Copper Markets									
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	546325	3100	4375	-1275	545050	203475	341575	Comex, USc/lb		
Copper	157725	0	2550	-2550	155175	33425	121750	MAR 24	388.6	2.44
Lead	108475	2200	1100	1100	109575	23775	85800	MAY 24	390.85	2.38
Nickel	69342	0	12	-12	69330	4182	65148	Shanghai, CNY/mt		
Tin	6555	35	75	-40	6515	1045	5470	23-Feb	68780	0.91
Zinc	195575	0	2100	-2100	193475	36175	157300	01-Mar	68870	1.00

Global Markets	Currencies				Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	16907	0.10	GBP	1.2700	-0.2043	Gold	2017.61	0.1847	2030.5
DJI	37963	0.42	JPY	147.7600	-0.1692	Silver	22.88	0.9176	2277
S&P500	4882	0.28	EUR	1.0836	-0.4502	Gold Comex	2036.8	0.079	
SSE	2906	3.03	CNY	7.1739	-0.2216	Platinum	894.44	-0.9984	
Hg Seng	16212	1.96	AUD	0.6582	0.0760	Palladium	944.25	-2.1969	
Brent	82	2.97	CAD	1.3479	0.3339				

Source: Bloomberg
Updated: 25/01/2024 17:30

All price data is from 25.01.2024 as of 17:30

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