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Daily Base Metals Report

US stocks furthered their declines, with the tech equities weighing on performance today, following the economic data release. US inflation reached 8.3% y/y in April; whilst softer performance in comparison to March (8.5%), it is above market expectations of 8.1% for this month. Consequentially, the former NY Fed President stated that the Fed should hike to 5% to curb inflation. The 10yr US Treasury yield continued to decline, and the dollar spiked above 104 following the news before coming back to 103.64 levels.

Metals on the LME were mostly on the front foot today, apart from nickel, which continued to see further softness into \$27,806/t. Zinc momentum was on the front foot, as the metal edge above \$3,660/t to close at \$3,668.50/t. Aluminium and copper fluctuated but managed to close marginally higher day-on-day at \$2,778/t and \$9,340/t. The shanghai physical premium over the LME has widened as shanghai backwardations and falling inventories outweigh activity on the LME. The higher premiums in China have boosted import profits to RMB800/t and premium quotes continue to increase. Lead and tin followed suit, closing higher at \$2,118/t and \$35,772/t, respectively. Meanwhile, China's factory and consumer prices rose 8% y/y, compared to March 8.3%, despite the lockdown conditions denting consumer spending abilities. Instead, the strained supply chain conditions squeezed manufacturers' profits last month, urging them to pass down the costs to consumers.

Oil futures rallied following the two-day decline after the plunge in US crude inventories, pushing WTI and Brent into \$104.87/bl and \$107.12/bl. Precious metals benefited from higher-than-expected inflation, with gold and silver edging higher at \$1,853/oz and 21.79/oz, respectively.

For more in-depth analysis of base and precious metals, please see our [Quarterly Metals report](#).

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2758	2811	2751	2778	2770	14575	595546	-32.75	126.24
Copper	9213	9390	9200	9340	9275	14135	249564	7.25	422.98
Lead	2135	2143	2104	2118	2139	3956	107694	-12.83	96.62
Nickel	28500	28500	27750	27806	28425	2373	158995	-94.00	1265.54
Tin	35155	36020	35100	35772	35100	477	13095	196.00	1630.91
Zinc	3586	3707	3555	3668.5	3594	7379	223046	15.01	166.47
					Total:	42895	1347940		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2737	2772	2746	2666	2720.45	2753.5	2816	2851.642857
Copper	9367	9356	9191	9113.5	9235.75	9228.5	9404.428571	9404.428571
Lead	2107	2117	2090.67	2042.67	2100.2	2114	2204.571429	2209.285714
Nickel	27800	27900	28176	28376	28309	28414	29340.71429	29428.57143
Tin	35700	35625			35726	35527	39108.57143	38872.14286
Zinc	3660	3646	3289.25	3033.25	3608.51	3597.5	3825.571429	3801.857143

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	560275	850	7200	-6350	553925	259850	294075	Comex, USc/lb		
Copper	167825	9725	1675	8050	175875	60600	115275	MAY 22	415.45 -0.92	
Lead	38175	0	0	0	38175	4300	33875	JUL 22	415.45 -0.93	
Nickel	73122	0	294	-294	72828	10302	62526	Shanghai, CNY/mt		
Tin	3085	25	0	25	3110	310	2800	22-May	71930 -0.04	
Zinc	89300	500	1325	-825	88475	51850	36625	22-Jun	71470 0.14	

Global Markets		Currencies		Precious Metals			Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	13829	2.17	GBP	1.2317	0.0081	Gold	1854.18	0.8655	1862.25	1857.35
DJI	32345	0.57	JPY	130.0800	0.2844	Silver	21.70	2.0565		2186.5
S&P500	4017	0.39	EUR	1.0542	0.1235	Gold Comex	1852.4	0.619		
SSE	3059	0.75	CNY	6.7217	0.1934	Platinum	1000.94	3.3452		
Hq Seng	19825	0.97	AUD	0.6984	0.6630	Palladium	2053	-0.7421		
Brent	108	5.12	RUB	118.6895	1.4433					

Source: Bloomberg
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All price data is from 11.05.2022 as of 17:30

Risk warning

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