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Daily Base Metals Report

US stocks opened the month on the back foot as solid economic data suggested the Fed has not tightened monetary policy enough to temper the inflation and, in turn, growth. US manufacturing PMI rose unexpectedly, back up to 56.1, up from 55.4 in the previous month. US job openings have declined from record highs to 11.4m in April, suggesting little relief for companies that struggle to find employees. While some data has started to slow, overall, the resilience of an average consumer has kept the pace of growth robust in comparison to other economies. Meanwhile, US consumer confidence dropped to the lowest level since February in May, with the impacts of inflation continuing to weigh on consumers. The dollar shot up to 102.70, and the 10yr US Treasury yield edged higher to test the 2.92% level. European stocks continued to decline after the record high inflation reading on Tuesday.

A mixed metal performance on the LME today as investors priced in initial lift off lockdown restrictions in China. Shanghai reopened for the general public today, however companies warned that they can't fully restart their operations despite the restrictions lift-off given the prevalent supply chain issues. Aluminium extended losses and the metal closed lower at \$2,726/t. Tin started off on the back foot but managed to close marginally higher at \$24,929/t. Likewise, copper shot up to test the resistance of \$9,550/t before closing at \$9,499.50/t; cash to 3-month softened into -\$5.00/t. Lead and zinc closed slightly lower on the day at \$2,169/t and \$3,864.50/t, respectively.

Oil futures rose ahead of the OPEC+ meeting in the evening to discuss supply policy and projections. WTI and Brent now trade at \$116/bl and \$117/bl. Precious metals were mostly higher despite stronger dollars, with gold and silver increasing to \$1,844/oz and \$21.82/oz, respectively.

For more in-depth analysis of base and precious metals, our Q2 2022 [Quarterly Metals report](#) is out now!

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2793	2815	2720	2726	2789	21294	586281	-29.50	123.47
Copper	9438	9557	9384	9499.5	9439	13568	237378	-5.00	430.60
Lead	2186	2188	2147	2169	2180	2506	99999	-6.00	98.20
Nickel	28310	28800	27605	28119	28295	2126	150002	-70.50	1274.61
Tin	34790	34980	33750	34929	34750	191	13013	270.00	1575.12
Zinc	3916	3926	3851	38645	3913	6624	216911	20.00	175.75
				Total:		46309	1303584		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2701.5	2730	2763	2723	2757.75	2787	2701.5	2730
Copper	9455	9455	9429.5	9401.5	9445.5	9447.5	9455	9455
Lead	2143.5	2151	2162.74	2115.74	2173.7	2182	2143.5	2151
Nickel	27710	27800	28701	28861	28343.5	28392	27710	27800
Tin	35250	35000			34935	34670	35250	35000
Zinc	3896	3877	3450	3150	3939	3913.5	3896	3877

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	458875	0	5000	-5000	453875	264550	189325	Comex, USc/lb		
Copper	149200	1300	4550	-3250	145950	49650	96300	JUL 22	429.6 -0.24	
Lead	38850	0	50	-50	38800	5075	33725	SEP 22	430.45 -0.23	
Nickel	71718	0	246	-246	71472	9138	62334	Shanghai, CNY/mt		
Tin	3015	0	80	-80	2935	335	2600	22-May	71930 -0.62	
Zinc	84675	500	1600	-1100	83575	37850	45725	22-Jun	71630 -0.65	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	14340	-0.33	GBP	1.2471	-1.0395	Gold	1845.75	0.4572	1854.4
DJI	32620	-1.12	JPY	130.1000	-1.0992	Silver	21.83	1.2928	
S&P500	4082	-1.22	EUR	1.0645	-0.8291	Gold Comex	1847.5	-0.049	1838.70
SSE	3182	-0.13	CNY	6.6862	-0.2154	Platinum	996.81	2.8838	2177
Hq Seng	21295	-0.56	AUD	0.7162	-0.2090	Palladium	2001.64	-0.0255	
Brent	117	1.48	RUB	118.6895	1.4433				

Source: Bloomberg
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All price data is from 02.06.2022 as of 17:30

Risk warning

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