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Daily Base Metals Report

NFPs showed that there is certainly life in the U.S. labour market as 528,000 jobs were added; this has caused traders to expect more rate hikes in the U.S. as the economy while slowing, has room for higher rates. Labour participation was 62.1% in July as average hourly earnings increased 0.5% M/M. Treasury yields reached 2.865% as the USD strengthened with the index at 106.735, and cable slipped towards 1.20. Equity markets are lower at the time of writing, as investors now expect similar-sized rate hikes from the Fed.

LME metals were well supported today, with all but tin gaining ground, tin closed at \$24,455/t, and the cash to 3-month spread settled at \$160/t back. Zinc was marginally higher, reaching \$3,529.5/t and this caused futures to close at \$3,488.5/t; zinc continues to be volatile, with trading conditions incredibly tricky due to poor liquidity. Lead closed off the highs at \$2,070/t, and the spreads tightened once again to \$24/.75t back. The low inventory environment and poor liquidity is causing spreads to move into backwardation, especially with the energy risk to production across the globe. Aluminium was well bid today, which caused prices to test \$2,454/t; the market trades at \$2,420/t at the time of writing. Copper testes appetite around \$7,950/t, but this level held firm, and prices edged lower to \$7,875/t.

Energy prices gained ground, reaching \$95.49/t and 89.72/t for Brent and WTI, respectively.

Base Metals Report

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	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads		Conversion	
								C-3M	USc/lb		
Aluminium	2403	2454	2403	2416	2403	12459	572686	8.00		109.73	
Copper	7739	7947	7735	7870.5	7743	18077	235755	-7.00		357.37	
Lead	2047	2080	2035	2070	2043	3200	85592	24.75		93.94	
Nickel	22850	23550	22000	22216	22345	1881	156937	-75.00		1007.71	
Tin	24560	24900	24375	24455	24380	152	12964	160.75		1107.23	
Zinc	3470	3530	3376	3488.5	3465	10045	199025	106.00		157.51	
Total:						45814	1262959				

	Official Prices				Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2447.5	2441	2460.3	2509.05	2408.26	2403	2428.5	2420
Copper	7830.5	7840	7739.5	7749.5	7720.2	7727.5	7799.2	7804.4
Lead	2092	2074.5	2039	2034	2042.5	2045.5	2046.3	2044.9
Nickel	22170	22215	22593	22853	22137	22210	22611	22678
Tin	24755	24725			24760.25	24545	24840	24655
Zinc	3550	3440.5	3061.5	2801.5	3576.5	3450.5	3437.3	3333.5

	LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	290675	0	1550	-1550	289125	134325	154800	Comex, USc/lb		
Copper	129575	150	1125	-975	128600	34700	93900	SEP 22	348.15	0.42
Lead	38875	0	0	0	38875	3875	35000	DEC 22	349.35	0.49
Nickel	57900	0	276	-276	57624	8148	49476	Shanghai, CNY/mt		
Tin	4015	0	0	0	4015	205	3810	22-Aug	60260	0.97
Zinc	70000	4000	75	3925	73925	40100	33825	22-Sep	59710	0.49

	Global Markets		Currencies		Precious Metals			Previous Day's Fix	
	Last	% Change	Last	% Change	Last	% Change	AM	PM	
DAX	13574	-0.65	GBP	1.2071	Gold	1773.98	-0.9658	1777.9	1783.20
DJI	32628	-0.30	JPY	135.2900	Silver	19.88	-1.4892		2026.5
S&P500	4119	-0.79	EUR	1.0177	Gold Comex	1790.2	-0.924		
SSE	3227	1.19	CNY	6.7619	Platinum	937.42	0.6647		
Hq Seng	20202	0.14	AUD	0.6905	Palladium	2133.93	3.1073		
Brent	95	1.43	RUB	118.6895					

Source: Bloomberg
 Updated: 8/5/2022 17:06

LME price data is from 05.08.2022 as of 17:30

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