

## LME Metals Report

Written by Edward Meir – Commodity Research Group

Tel: 1-203-656-1143 • [emeir@edfmancapital.com](mailto:emeir@edfmancapital.com)

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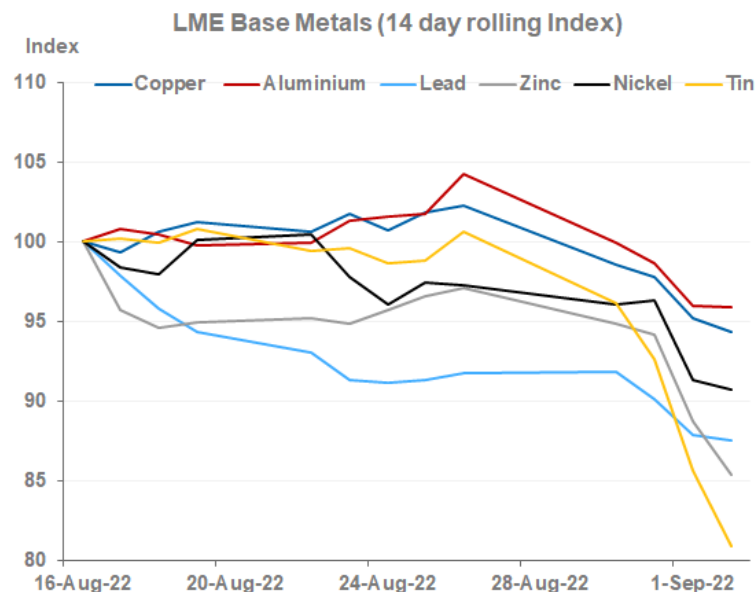
***This commentary was written at 8:40 A.M.  
on September 2, 2022, US EST.***

It was a brutal day for commodities on Thursday, with base metals, precious metals and oil prices all getting slammed. There were several variables behind the declines, including a surging dollar and rising US rates, coupled with worrying developments out of China. On that point, yet another southwestern Chinese metropolis – Chengdu -- announced a lockdown of its 21.2 million people and instituted widespread COVID testing and movement restrictions for the next three days – all this on account of just 157 cases. Other major Chinese cities, including Shenzhen (15 million people) and Dalian (7 million), have stepped up restrictions as well. Metals opened slightly lower in Friday's Asia session, but losses increased as the session got underway. However, we have lifted off the lows in the wake of the nonfarm release, with most of the base complex now in the green, with zinc being the notable exception to the downside.

The August non-farm payroll reading came in at 315,000, about in line with the 300,000 estimate. The unemployment rate ticked higher to 3.7% and average hourly earnings grew less than expected (+.3% vs. .4% last month) and so collectively, the data should be viewed by the markets as coming in on the softer side, which explains why both the dollar and US rates have backed off slightly since the release.

We present market indications below and hope to release our monthly August outlook over the weekend. We wish our US-based readers a pleasant Labor Day weekend.

Copper: \$7610, up \$14 (\$7510/\$7618)  
Aluminum: \$2311, up \$16 (\$2329/\$2290)  
Zinc: \$3130, down \$130 (\$3267/\$3093)  
Lead: \$1896, down \$5 (\$1934/\$1885)  
Nickel: \$20,420, up \$109 (20,050/\$20,500)  
Tin: \$20,850, down \$210  
Gold: \$1721, up \$12  
Silver: \$18.00, up \$.34  
Platinum: \$821, up \$16  
Palladium: \$2023, up \$27



WTI: \$88.68, up \$2.07  
US 10-year: 3.24%, down 2 basis points.  
Euro: .9990  
Sterling: 1.1550  
Yen: 140.60  
Dollar Index: 109.14, down .51  
NASDAQ futures: up 85  
Dow futures: up 163  
S&P futures: up 25

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## Base Metals Prices and Forward Curve Snapshot

LME Cash	2-Sep-22	Prev Day	Month ago	3M Trend		12M Trend
CU (\$/MT)	7,652	7,846	7,809			
AL (\$/MT)	2,302	2,369	2,420			
PB (\$/MT)	1,899	1,946	2,049			
ZN (\$/MT)	3,321	3,532	3,412			
NI (\$/MT)	20,249	21,323	22,435			
SN (\$/MT)	20,000	22,925	24,437			
LME Frwrds	Cash	3-month	15-month	27-month	63-month	Curve's shape
CU (\$/MT)	7,652	7,528	7,549	7,519	7,489	
AL (\$/MT)	2,302	2,293	2,352	2,412	2,522	
PB (\$/MT)	1,899	1,894	1,881	1,851	1,821	
ZN (\$/MT)	3,321	3,134	2,911	2,651	2,301	
NI (\$/MT)	20,249	20,165	20,709	21,030	21,691	
SN (\$/MT)	20,000	19,905	19,905			
SHFE Front	1 month	3 month	6 month	9 month	12 month	Curve's shape
CU (CNY/T)	60,200	59,520	59,110	59,060	58,800	
AL (CNY/T)	18,135	17,915	17,805	17,845	17,880	
PB (CNY/T)	14,850	14,850	14,825	14,825	14,855	
ZN (CNY/T)	24,150	23,455	22,695	22,370	22,155	
NI (CNY/T)	164,720	157,780	151,100	147,850		
SN (CNY/T)	178,700	170,860	168,080	166,790	168,550	

## Base Metals Inventories

Copper	Today	1 day Δ	1 month	6 month	Yr Ago	12M Trend
LME (MT)	110,550	-3,775	130,975	72,075	252,400	
SHFE (MT)	37,477		37,025	159,023	82,390	
COMEX (MT)	45,648	-321	54,531	63,114	45,730	
GLOBAL(MT)	193,675	-4,096	222,531	294,212	380,520	
Aluminum	Today	1 day Δ	1 month	6 month	Yr Ago	12M Trend
LME (MT)	276,050	-325	296,650	809,750	1,335,300	
SHFE (MT)	204,063		185,358	335,892	248,926	
COMEX (MT)	21,274	0	21,546	21,206	35,897	
GLOBAL(MT)	501,387	-325	503,554	1,166,848	1,620,123	
Lead	Today	1 day Δ	1 month	6 month	Yr Ago	12M Trend
LME (MT)	37,475	-25	38,875	44,175	52,150	
SHFE (MT)	68,039		68,151	88,857	195,435	
GLOBAL(MT)	105,514	-25	107,026	133,032	247,585	
Zinc	Today	1 day Δ	1 month	6 month	Yr Ago	12M Trend
LME (MT)	77,500	350	68,050	143,175	236,425	
SHFE (MT)	84,873		97,316	172,750	52,157	
COMEX (MT)	2,699	0	2,699	2,699	2,699	
GLOBAL(MT)	165,072	350	168,065	318,624	291,281	
Nickel	Today	1 day Δ	1 month	6 month	Yr Ago	12M Trend
LME (MT)	54,498	-42	57,942	78,162	190,488	
SHFE (MT)	3,087		1,741	5,189	4,455	
GLOBAL(MT)	57,585	-42	59,683	83,351	194,943	

Source: EDF Man Capital Markets/ Bloomberg

## Technical Profile

	2-Sep-22	1 day	1 month ago	3 month ago	Yr ago
<b>Volume (3-Mnth/lots)</b>					
CU	46,067	62,495	46,067	52,317	36,757
AL	62,327	56,067	62,327	37,260	55,387
PB	12,302	13,584	12,302	10,887	11,038
ZN	43,590	20,195	43,590	23,218	18,935
NI	7,373	5,745	7,373	17,929	18,614
SN	2,431	1,092	2,431	292	633
<b>Open Int (3-Mnth/lots)</b>					
CU	240,687	235,004	240,687	286,964	310,473
AL	580,041	577,738	580,041	790,983	667,276
PB	87,060	84,982	87,060	105,662	108,520
ZN	192,168	192,808	192,168	191,756	229,431
NI	148,535	147,777	148,535	201,811	277,215
SN	11,725	11,743	11,725	16,173	16,093

## Moving Averages & Implied Price Direction

	Cash	10 MAV	40 MAV	100 MAV	200 MAV
<b>CU</b> ↑	7,652	8,020	7,762	8,707	9,294
<b>AL</b> ↓	2,302	2,410	2,418	2,650	2,863
<b>PB</b> ↔	1,899	1,984	2,034	2,110	2,215
<b>ZN</b> ↓	3,321	3,546	3,378	3,642	3,641
<b>NI</b> ↓	20,249	21,501	21,702	25,554	24,868
<b>SN</b> ↓	20,000	23,611	24,644	30,922	36,544

## Support & Resistance

	S1	S2	R1	R2	RSI
<b>CU</b>	7,460	7,200	7,598	8,000	33
<b>AL</b>	2,270	2,190	2,318	2,343	34
<b>PB</b>	1,828	1,784	1,921	1,949	27
<b>ZN</b>	2,960	2,824	3,300	3,580	32
<b>NI</b>	20,053	19,942	20,388	20,612	33
<b>SN</b>	19,477	19,048	20,607	21,308	17

## Market Round-up (Data as on 9:30 am GMT)

	Today	1 day	1 month	6 month	Yr Ago
<b>Gold</b>	1,708	1,717	1,771	1,922	1,809
<b>Silver</b>	17.53	17.76	20.14	25.18	23.88
<b>Platinum</b>	815	827	905	1,068	994
<b>Palladium</b>	1,983	2,067	2,090	2,663	2,397
<b>WTI</b>	88.30	89.55	94.42	110.60	69.99
<b>Brent</b>	94.11	96.49	100.54	112.93	73.03
<b>WTI Inv (mbbl)</b>	418	418	432	412	424
<b>Sterling</b>	1.1580	1.1622	1.2170	1.3406	1.3833
<b>Euro</b>	1.0015	1.0054	1.0166	1.1119	1.1875
<b>CNY</b>	6.91	6.89	6.75	6.32	6.46
<b>Dollar Index</b>	109.30	108.70	106.24	97.39	92.23

## Physical Premiums (Aluminium)

	Today	1 day	1 month	6 month	Yr Ago
<b>US (\$/lb)</b>	0.254	0.264	0.282	0.385	0.345
<b>JP (\$/MT)</b>	120.93	90.43	118.77	110.00	165.00
<b>EU (\$/MT)</b>	387.50	513.33	481.84	490.00	375.00

Source: EDF Man Capital Markets/ Bloomberg