

Authors

Daria Efanova
Research Associate

FRI 23 DECEMBER 2022 00:10

Daily Base Metals Report

US stocks declined today following a strong data release highlighting the prevailing strength of the economy in the face of tighter monetary policy conditions. US consumer confidence followed the recent business sentiment release by edging higher following the respite in energy prices and its impact on consumers in recent months. Likewise, initial jobless claims rose to 216,000, less than forecast, in the week ending December 17th, further highlighting the labour market tightness. The 2yr and 10yr US yields gained some momentum to 4.23% and 3.66%, respectively, and the dollar remained broadly unchanged. In the previous quarter, the GDP growth was revised from 2.9% to 3.2%. The slew of data today pointed to resilient economic background going into the new year and has added downside momentum to risk assets.

Meanwhile, risk sentiment failed to hold up in the metals space despite China's move to relax quarantine for inbound travellers. Aluminium strength in the latter part of the day helped push the metal to settle at \$2,406/t; cash to 3-month settled at -\$28.25/t. Likewise, lead closed higher at \$2,216.50/t. Other metals saw weakness prevail in the second half of the day, with copper weakening below the support level of \$8,308/t. Nickel fluctuated, touching the lows of \$28,500/t during the days before \$29,240/t. Zinc closed at \$2,948/t.

Oil futures remained broadly unchanged, with WTI and Brent settling at \$78/bl and \$82/bl. Gold and silver saw another day of lacklustre moves, remaining at \$1,796/oz and \$23.60/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2396	2411	2380	2406	2396	8579	535979	-27.00	109.02
Copper	8411	8459	8290	8310.5	8397	10691	234842	-22.00	376.74
Lead	2214	2290	2202	2216.5	2220	5032	101650	37.25	100.61
Nickel	29510	29820	28375	29240	29750	1283	135226	-150.00	1327.22
Tin	24135	24225	23785	23930	24115	252	13680	-45.00	1082.96
Zinc	3007	3018	2935	2948	2992	6370	189268	17.00	133.45
				Total:		32207	1210645		

Official Prices	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2362	2397	2478.5	2583.5	2363.25	2391.5	2405.03125	2440.5	
Copper	8345.5	8365	8395.5	8362.5	8369.5	8393.5	8362.6875	8396.6875	
Lead	2277	2236	2227.25	2237.25	2252.25	2212.5	2188.59375	2192.75	
Nickel	28650	28750	30368	31368	29431.5	29591	28534.0625	28737.8125	
Tin	23925	23875			24048	24060	23975.3125	23897.1875	
Zinc	3008	2984	2867	2725	3031	3009.5	3155	3130.75	

LME Stocks (tonnes)	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	481175	0	8175	-8175	473000	239700	233300	Comex, USc/lb		
Copper	81350	1625	1875	-250	81100	14925	66175	DEC 22	380.6	0.22
Lead	24350	0	0	0	24350	8275	16075	MAR 23	381	0.29
Nickel	54216	474	246	228	54444	4464	49980	Shanghai, CNY/mt		
Tin	2915	0	35	-35	2880	190	2690	22-Nov	65990	0.53
Zinc	36450	0	50	-50	36400	21425	14975	22-Dec	65940	0.59

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	13914	-1.30	GBP	1.2026	-0.4635	Gold	1795.04	-1.0665	1813.5
DJI	32883	-1.48	JPY	132.3700	0.0680	Silver	23.60	-1.546	2389
S&P500	3799	-2.05	EUR	1.0584	-0.1980	Gold Comex	1803.3	-1.211	
SSE	3054	-0.46	CNY	6.9854	-0.0515	Platinum	991.25	-1.0699	
Hq Seng	19679	2.71	AUD	0.6668	-0.5815	Palladium	1695.94	-0.1343	
Brent	82	-0.36	RUB	118.6895	1.4433				

Source: Bloomberg
Updated: 22/12/2022 17:03

All price data is from 22.12.2022 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).