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Daily Base Metals Report

US stocks gained ground today, with investors facing another day of strong data releases. In particular, US consumers expect the inflationary pressures to subside in the near term. At the same time, the Fed's preferred gauge of inflation, the PCE, also was seen slowing to 5.5%, however, less than the markets anticipated. Meanwhile, the core inflation continued to tick higher to 4.7% y/y, highlighting the stickiness of core components. Personal income and spending both came in lower at 0.4% and 0.1%, respectively. Elsewhere, US home sales dropped by 35% in November, further underlying housing market weakness. The dollar softened slightly while the 10yr yield gained a footing to 3.73% as a result of the data.

Metals saw marginal gains across the board today, despite positive sentiment following the reopening in China waning. Copper settled at \$8,353/t as the metal found support at \$8,300/t, the level the markets closed below on the previous day. Likewise, nickel wavered between \$29,000/t and \$30,000/t, with the resistance level not breached since early December. Lead and zinc also closed marginally higher at \$2,273.50/t and \$2,965/t, respectively. Only aluminium saw some moderate downside today, settling at \$2,389.50/t; the cash to 3-month spread remained at -\$26,09/t.

Oil futures strengthened after Russia said that it might cut crude production in response to the G& oil price cap, with WTI and Brent trading at \$79/bl and \$83/bl. In line with base metals, precious struggled to gain momentum as both gold and silver remained at \$1,800/oz and \$23.78/oz, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|---------------|-------|-------|-------|-----------|-------|--------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2392 | 2410 | 2363 | 2389.5 | 2392 | 8671 | 536682 | -26.09 | 108.23 |
| Copper | 8287 | 8383 | 8284 | 8349.5 | 8258 | 8627 | 234835 | -13.50 | 378.93 |
| Lead | 2201 | 2279 | 2201 | 2273.5 | 2196 | 3837 | 102381 | 49.00 | 102.69 |
| Nickel | 29175 | 30250 | 29100 | 29547 | 29330 | 1243 | 134170 | -170.00 | 1340.24 |
| Tin | 23975 | 24100 | 23860 | 23934 | 23890 | 239 | 13688 | -15.00 | 1088.63 |
| Zinc | 2942 | 2992 | 2926 | 2965 | 2929 | 5365 | 188910 | 22.00 | 135.24 |
| Total: | | | | | | 27982 | 1210666 | | |

| Official Prices | | | | | | | Monthly Avg | | |
|-----------------|--------|-------|----------|----------|---------|--------|-------------|-------------|--|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M | |
| Aluminium | 2342 | 2373 | 2475.41 | 2573.41 | 2376.75 | 2406 | 2401.323529 | 2436.529412 | |
| Copper | 8308.5 | 8326 | 8336 | 8274 | 8290.5 | 8310.5 | 8359.5 | 8392.529412 | |
| Lead | 2280 | 2238 | 2294 | 2318 | 2253.75 | 2216.5 | 2193.970588 | 2195.411765 | |
| Nickel | 29600 | 29500 | 30342 | 31367 | 29075 | 29240 | 28596.76471 | 28782.64706 | |
| Tin | 23950 | 24075 | | | 23885 | 23930 | 23973.82353 | 23907.64706 | |
| Zinc | 2985 | 2964 | 2887.25 | 2745.25 | 2965 | 2948 | 3145 | 3120.941176 | |

| LME Stocks (tonnes) | | | | | | | Other Copper Markets | | | |
|---------------------|---------|------|------|------------|---------|------------|----------------------|------------------|--------------|--|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | % Change | |
| Aluminium | 473000 | 0 | 6400 | -6400 | 466600 | 239375 | 227225 | Comex, USc/lb | | |
| Copper | 81100 | 2075 | 1700 | 375 | 81475 | 13225 | 68250 | DEC 22 | 375.15 -1.43 | |
| Lead | 24350 | 0 | 0 | 0 | 24350 | 9775 | 14575 | MAR 23 | 375.7 -1.39 | |
| Nickel | 54444 | 0 | 144 | -144 | 54300 | 4980 | 49320 | Shanghai, CNY/mt | | |
| Tin | 2880 | 0 | 25 | -25 | 2855 | 165 | 2690 | 22-Nov | 65500 -0.74 | |
| Zinc | 36400 | 0 | 50 | -50 | 36350 | 21375 | 14975 | 22-Dec | 65430 -0.77 | |

| Global Markets | | Currencies | | Precious Metals | | | Previous Day's Fix | | | |
|----------------|----------|------------|----------|-----------------|----------|------------|--------------------|--------|--------|---------|
| Last | % Change | Last | % Change | Last | % Change | AM | PM | | | |
| DAX | 13941 | 0.19 | GBP | 1.2060 | 0.1828 | Gold | 1800.91 | 0.4681 | 1815.2 | 1800.70 |
| DJI | 33145 | 0.35 | JPY | 132.7800 | -0.3238 | Silver | 23.79 | 0.9517 | | 2373.5 |
| S&P500 | 3831 | 0.23 | EUR | 1.0624 | 0.2643 | Gold Comex | 1808.9 | 0.758 | | |
| SSE | 3046 | -0.28 | CNY | 6.9900 | -0.0658 | Platinum | 1027.09 | 4.481 | | |
| Hq Seng | 19593 | -0.44 | AUD | 0.6718 | 0.7196 | Palladium | 1733.65 | 2.8488 | | |
| Brent | 84 | 3.20 | RUB | 118.6895 | 1.4433 | | | | | |

Source: Bloomberg
Updated: 23/12/2022 17:21

All price data is from 23.12.2022 as of 17:30

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