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# Daily Base Metals Report

US stocks strengthened later in the day after US economic growth data pointed to continued resilience in the face of further tightening from the Fed. Despite the calls from policymakers yesterday to keep options open for another hike later this year, the market began to price in the pivot from the central bank as soon as March next year. US GDP came in higher than expected in Q2, growing by a 2.4% annualised rate on the back of consumer resilience, the biggest component of the economy. This has once again reaffirmed the possibility of a “soft landing” this year. Meanwhile, US pending home sales rose unexpectedly in June, given the ongoing supply challenges. The dollar jumped to test the 102 level, and the 10yr US Treasury yield edged higher. Meanwhile, the ECB also increased its interest rate by 25bps, bringing the deposit rate to 3.75%; the lack of clarity regarding the September meeting meant that forward swaps are still pricing in 17bps worth of a hike.

Base metals' gains were reversed later on in the day on the back economic data releases; day-on-day, the softness was marginal. Aluminium fell to test the support of \$2,205/t before closing slightly above it at \$2,205/t. Likewise, copper broke below the \$8,600/t level to \$8,569/t. Meanwhile, lead struggled to break below \$2,150/t, closing at \$2,158/t. Zinc closed at \$2,454/t. Longer-term support levels continue to hold firm, and we expect to see continued drift across the base metals space in the near term. Still, with most central bank decisions now out of the way under late September, this should give the market some breathing room to assess the impact of the latest hikes, and we expect the focus to shift back to China's stimulus story.

Oil futures jumped higher, whereas precious metals erased gains made earlier this week, with gold and silver now trading at \$1,946/oz and \$24.21/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2215	2245	2197	2205	2208	15020	674053	-43.74	100.02
Copper	8618	8700	8531	8569	8604	15584	275375	-35.50	388.46
Lead	2147	2175	2147	2158	2145	5070	120396	-2.50	97.91
Nickel	21580	21965	21475	21689	21570	2358	151746	-250.00	980.45
Tin	29090	29875	28500	28680	29025	780	15509	133.00	1301.14
Zinc	2480	2534	2450	2454	2470	10401	197599	2.50	111.47
				Total:		49213	1434678		

Official Prices	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2176	2220	2368.5	2487.5	2169.5	2213		2149.631579	2195.342105
Copper	8578.5	8620	8659.25	8669.25	8577.25	8617.5		8427.526316	8448.210526
Lead	2170	2173	2175	2193	2140.75	2152		2101.973684	2100.684211
Nickel	21395	21645	22677	23602	21340	21590		20820.52632	21063.68421
Tin	29450	29450			29155	29010		28743.42105	28344.47368
Zinc	2485	2487	2477	2482	2464.1	2473.5		2383.868421	2398.789474

LME Stocks (tonnes)	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	514025	325	3350	-3025	511000	226600	284400	Comex, USc/lb		
Copper	60700	1575	25	1550	62250	500	61750	JUL 23	380.3	-0.38
Lead	52100	875	0	875	52975	2725	50250	SEP 23	381.8	-0.43
Nickel	37590	0	0	0	37590	1794	35796	Shanghai, CNY/mt		
Tin	5050	80	0	80	5130	25	5105	23-Aug	68370	-0.38
Zinc	87950	8325	200	8125	96075	26175	69900	23-Sep	68210	-0.44

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	16406	1.70	GBP	1.2869	-0.5564	Gold	1947.02	-1.2702	1972	1966.30
DJI	35550	0.08	JPY	141.0200	-0.5531	Silver	24.22	-2.8403		2467
S&P500	4591	0.52	EUR	1.0998	-0.7938	Gold Comex	1985.7	-1.184		
SSE	3217	-0.20	CNY	7.1660	-0.3196	Platinum	941.39	-2.6756		
Hg Seng	19639	1.41	AUD	0.6740	-0.2664	Palladium	1242.47	-1.6644		
Brent	84	1.23	CAD	1.3198	0.0758					

Source: Bloomberg  
Updated: 27/07/2023 17:30

All price data is from 30.07.2023 as of 17:30

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