

Authors

Daria Efanova
Head of Research

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Daily Base Metals Report

US stocks weakened on the first day of the month after disappointing corporate earnings results drove the risk-off sentiment across the board. Moreover, mixed labour market data weighed on the momentum. US job openings fell to the lowest level since April 2021 in June, with hiring declining to February 2021 lows. At the same time, layoffs fell to lows of Q4 2022, suggesting that while hiring has decreased, companies are less willing to let employees go. That would also help maintain the unemployment level at historic lows. The dollar strengthened above 102, and the 10yr US Treasury yield is now back above 4.00%.

Metals that benefitted from yesterday's gains weakened today, suggesting that pledges from key policymakers are not enough to sustain the momentum across the complex until we see sustainable gains in economic growth prospects. At the same time, home sales in China fell by the most in a year, underscoring the weakness in the housing market despite recent support from the PBoC to prop up the property sector. Tin prices, in particular, weakened below the robust \$28,000/t level after the official blanket ban on ore exports from Myanmar has taken place, suggesting markets do not anticipate immediate tightness in the physical market. As a result, the cash to 3-month spread has flipped back into contango. Copper struggled above \$8,800/t as it weakened back to \$8,631/t, and aluminium weakened into \$2,255.50/t. Both lead and zinc closed lower at \$2,147/t and \$2,569/t, respectively.

While oil futures softened, gold and silver erased yesterday's gains back to \$1,944/oz and \$24.18/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2286	2286	2244	2255.5	2287	20875	676317	-46.44	102.31
Copper	8840	8860	8625	8631	8836	26608	281000	-36.75	391.50
Lead	2158	2159	2134	2147	2164	3904	120555	-2.24	97.39
Nickel	22265	22700	21975	22358	22305	3928	150620	-215.00	1014.15
Tin	28715	28750	27595	27724	28580	661	15676	-99.00	1257.55
Zinc	2577	2585	2526	2569	2575	12321	199223	-1.70	116.53
				Total:		68297	1443391		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	3M
Aluminium	2217	2262	2414.5	2529.75	2244.81	2282.5	2217	2262
Copper	8720.5	8768	8674	8704	8800	8831.5	8720.5	8768
Lead	2152	2150.5	2160	2175	2145.75	2149	2152	2150.5
Nickel	22355	22700	23403	24308	22076	22293	22355	22700
Tin	27560	27680			28642	28637	27560	27680
Zinc	2554	2554	2587.25	2592.25	2565.81	2565	2554	2554

LME Stocks (tonnes)

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage		Last	% Change
Aluminium	507400	150	2000	-1850	505550	224575	280975	Comex, USc/lb		
Copper	68350	5825	0	5825	74175	450	73725	SEP 23	400.8	2.08
Lead	54200	875	0	875	55075	5425	49650	DEC 23	402.5	1.91
Nickel	37536	0	24	-24	37512	1818	35694	Shanghai, CNY/mt		
Tin	5275	0	20	-20	5255	5	5250	23-Aug	70700	1.62
Zinc	99675	0	325	-325	99350	34900	64450	23-Sep	70490	1.48

Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	16240	-1.26	GBP	1.2751	-0.6545	Gold	1941.86	-1.1821	1955.55	1970.65
DJI	35569	0.03	JPY	143.5400	-0.8708	Silver	24.20	-2.2149		2435.5
S&P500	4576	-0.28	EUR	1.0964	-0.3001	Gold Comex	1979	-1.503		
SSE	3291	0.00	CNY	7.1782	-0.4932	Platinum	933.99	-2.1375		
Hg Seng	20011	-0.34	AUD	0.6603	-1.6972	Palladium	1243.08	-3.4201		
Brent	85	-0.02	CAD	1.3297	-0.8047					

Source: Bloomberg
Updated: 01/08/2023 17:30

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All price data is from 01.08.2023 as of 17:30

Risk warning

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