

Authors

Daria Efanova
Head of Research

SAT 09 SEPTEMBER 2023 00:10

Daily Base Metals Report

US stocks were mixed as the dollar's the upside momentum stalled after a strong weekly streak that pushed the currency to March highs. The greenback strength was brought forward this week as the market began to assess the difference between major economies. Both Europe and China see protracted softness in performance indicators, and while the US economy is also seen slowing, the decline is marginal in comparison, remaining resilient given historical averages. We believe that the dollar will continue to strengthen marginally into Q4, exacerbated by the diverging central bank outlook from respective regions. The 10-year US treasury yield has also softened today.

A respite in dollar gains helped to ease some of the downward pressure felt by the commodity complex. Still, continued yuan weakness, which is now at record lows against the dollar, offset some of that respite and drove metals marginally lower on the day. Aluminium edged slightly lower, as it tested the support of \$2,170/t before settling at \$2,183.50/t. Copper, on the other hand, saw protracted losses down to the support of \$8,200/t; the metals remained above it, closing at \$8,242.50/t. Likewise, zinc broke below the robust support of \$2,450/t to settle at \$2,443.50/t.

Dollar weakness drove both oil and precious metals futures slightly higher, with gold and silver trading at \$1,921/oz and \$23.00/oz, respectively.

								Spreads	Conversion
	Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb
Aluminium	2195	2195	2171	2183.5	2197	13141	659971	-43.00	98.88
Copper	8310	8318	8213	8242.5	8305	17095	282990	-12.00	373.70
Lead	2229	2230	2200	2227.5	2227	5611	139889	58.39	100.88
Nickel	20430	20515	20070	20052	20450	2339	157555	-224.00	910.37
Tin	25795	25895	25300	25573	26000	164	15723	-228.00	1159.98
Zinc	2490	2490	2407	2443.5	2490	9040	202812	-22.62	110.18
				Total:		47390	1458940		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2132.5	2181	2342.25	2463.25	2151.5	2196	2149.25	2197.75	
Copper	8225	8242	8410.5	8460.5	8309.25	8321	8368.916667	8385.833333	
Lead	2285	2219	2225.5	2243.25	2288	2229.5	2281.75	2231.416667	
Nickel	19905	20125	21627	22727	20258	20482	20401.66667	20598.33333	
Tin	25335	25650			25845.99	26085	25786.66667	25965.83333	
Zinc	2406	2430	2475.75	2490.75	2459.05	2479.5	2439.666667	2462.333333	

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	501475	0	2000	-2000	499475	271000	228475	Comex, USc/lb	
Copper	133850	275	0	275	134125	300	133825	SEP 23	372.6 -0.6
Lead	54275	0	1300	-1300	52975	5075	47900	DEC 23	376.2 -0.63
Nickel	37386	642	48	594	37980	876	37104	Shanghai, CNY/mt	
Tin	6695	125	5	120	6815	175	6640	23-Sep	69130 -0.45
Zinc	145175	0	1750	-1750	143425	54675	88750	23-Oct	68840 -0.43

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	15733	0.09	GBP	1.2470	-0.0160	Gold	1919.62	-0.0031	1919.85	1918.35
DJI	34596	0.28	JPY	147.7300	-0.2911	Silver	22.91	-0.2382		2301
S&P500	4471	0.45	EUR	1.0707	0.1028	Gold Comex	1943.3	0.041		
SSE	3117	-0.18	CNY	7.3440	-0.2029	Platinum	894.55	-1.6135		
Hg Seng	18202	-1.34	AUD	0.6384	0.1255	Palladium	1199.21	-1.328		
Brent	91	0.91	CAD	1.3624	0.4477					

Source: Bloomberg
Updated: 08/09/2023 17:30

All price data is from 08.09.2023 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).