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Daily Base Metals Report

US stocks declined on the open once again on another day of worse-than-expected tech earnings results. US mortgage applications improved slightly, growing by 7.0% in the week ending January 20th. Tomorrow, there is a number of data releases coming out, including economic growth and consumer sector consumption for Q4, which are both forecast to grow at a slower pace. Core PCE is also set to grow at 3.9% as a result. Still, the possibility of a recession in the US remains a matter of debate, and we expect economic growth to stall in 2023, and some minor contractionary performance in the latter half of the year. The dollar and the 10yr US Treasury yield remained unchanged. Germany's business outlook improved once again in January as markets anticipated that recessionary fears that took place by the end of 2022 were overplayed.

Moderate upside momentum was seen across the base metals market today, but markets remain quiet during the holiday season. Tin was the only metal that saw another day of robust gains, gaining ground to close at \$30,850/t. Copper continues to linger above the \$9,314.50/t level as supply risks in Peru keep prices at elevated levels. Lead saw another leg higher, testing the resistance of \$2,000/t but rejecting prices above that level and closing lower at \$2,160.50/t; cash to 3-month flipped into a contango in recent days and is seen trading at -\$2.25/t at the time of writing. Aluminium fluctuated during the day, testing the support level of \$2,658.50/t to settle unchanged at \$2,656/t. Zinc closed higher at \$3,450/t.

Oil futures fluctuated amid a modest inventory build in the US, with WTI and Brent settling at \$81/bl and \$86/bl. Gold and silver lacked momentum in either direction, remaining unchanged at \$1,936/oz and \$23.70/oz, respectively.

								Spreads	Conversion
	Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb
Aluminium	2630	2661	2623	2658.5	2631	9776	542434	-30.75	120.02
Copper	9356	9402	9261	9314.5	9354	8423	253286	-23.49	422.39
Lead	2060	2139	2055	2160	2049	4840	112619	-5.40	96.66
Nickel	28620	29340	27910	29182	28500	1573	133360	-221.00	1313.39
Tin	29695	29995	29430	30850	29590	132	13906	-60.00	1357.84
Zinc	3415	3440	3367	3450	3416	5305	203365	18.25	155.22
				Total:		30049	1258970		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2594.5	2627	2790.5	2867.25	2605.3	2636.5	2459.875	2490.65625
Copper	9308	9335	9235.5	9135.5	9330.77	9356	8925.09375	8943.15625
Lead	2063	2068	2151	2141	2049	2055	2219.03125	2195.375
Nickel	28110	28525	30349	31199	27895	28110	27971.5625	28203.75
Tin	29950	29950			29475	29503	27319.0625	27388.75
Zinc	3420.5	3402	3201.5	2962.5	3439.75	3420.5	3236.3125	3217.5

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	375950	7575	1975	5600	381550	186900	194650	Comex, USc/lb	
Copper	78300	850	1000	-150	78150	28700	49450	MAR 23	425.15 0.47
Lead	20250	0	0	0	20250	3300	16950	MAY 23	425.75 0.46
Nickel	50838	0	168	-168	50670	6504	44166	Shanghai, CNY/mt	
Tin	2945	0	0	0	2945	390	2555	23-Feb	0 0.00
Zinc	18625	0	0	0	18625	8550	10075	23-Mar	0 0.00

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	15093	-0.07	GBP	1.2332	-0.3797	Gold	1933.34	0.1191	1927.2	1914.85
DJI	33633	0.01	JPY	130.0500	0.4767	Silver	23.63	0.7528		2367.5
S&P500	4013	-0.16	EUR	1.0875	0.0276	Gold Comex	1951	0.288		
SSE	3265	0.76	CNY	6.7845	-0.1327	Platinum	1058.99	0.7516		
Hg Seng	22045	1.82	AUD	0.7041	0.1707	Palladium	1745.6	2.0222		
Brent	87	-1.68	RUB	118.6895	1.4433					

Source: Bloomberg
Updated: 24/01/2023 17:14

All price data is from 25.01.2023 as of 17:30

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