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Daily Base Metals Report

US stocks fluctuated today, coming off a week of record-setting performances. Economic figures released indicated a slight dip in New Home sales for January, with numbers falling to 661,000 from December's 664,000. However, these figures still surpass the long-term average, signalling a robust housing market and strong consumer confidence despite enduring high borrowing rates. This continued upbeat data from the world's leading economy suggests the Fed may not be in a hurry to implement monetary easing, with the 10-year Treasury yield holding steady at around 4.3%. The dollar experienced a minor decline, positioning itself at 103.80.

Following last week's strong fluctuations due to geopolitical escalations in Russia, the metals market quieted down. Metals that were most impacted by the news, such as copper and nickel, have seen their gains reverse today, edging back to the average of \$8,400/t and \$16,500/t, respectively. In particular, nickel losses were quite protracted, erasing the jump above \$17,000/t, which we believe was overbought. We expect prices to return to the recent trading range of \$16,000-16,500/t, where the market remains fundamentally balanced. Likewise, lead struggled above the \$2,100/t level and remained below it at \$2,097/t. Aluminium tested the robust support level of \$2,175/t but struggled to break below it, given a lack of impetus from the market.

In reaction to the uptick in Treasury yields, gold witnessed a minor decrease, pricing at \$2029/oz. Silver saw a more noticeable drop, descending to \$22.5/oz. Oil has maintained a stable trading range lately, and this trend is expected to persist as the dynamics of OPEC+ production cuts and heightened geopolitical tensions are counterbalanced by a slackening in global demand. WTI, currently at \$77.3/bl, is anticipated to near the \$78 mark again, whereas Brent crude, priced at \$82.2, will likely reach \$83.5/bl in the coming days.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2182	2195	2175	2180	2184	14327	687666	-46.51	99.04
Copper	8538	8545	8455	8466	8559	16856	296732	-104.00	383.81
Lead	2098	2098	2080	2097	2100	3949	150359	10.89	94.62
Nickel	17495	17520	17050	17169	17500	5054	192894	-238.25	779.05
Tin	26275	26440	25975	26076	26365	336	18634	-226.80	1185.93
Zinc	2408	2436	2398	2424.5	2417	9317	242144	-38.50	110.07
Total:						49839	1588429		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2140.5	2185.5	2400.51	2490.51	2137.59	2180	2188.583333	2222.027778	
Copper	8373	8478	8672.25	8677.25	8475	8567.5	8299.972222	8399.333333	
Lead	2111	2094	2150.82	2183.82	2106.39	2095.5	2083.277778	2076.222222	
Nickel	16985	17300	18572	19347	17271.5	17495	16156.11111	16426.38889	
Tin	26100	26300			26137	26382	26152.22222	26387.77778	
Zinc	2380	2424	2466	2486	2366.5	2405	2362.861111	2387.5	

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	580275	3050	1525	1525	581800	198850	382950	Comex, USc/lb		
Copper	122900	5875	950	4925	127825	22575	105250	MAR 24	388	-0.44
Lead	173800	0	1550	-1550	172250	18900	153350	MAY 24	390.05	-0.37
Nickel	70308	0	336	-336	69972	4356	65616	Shanghai, CNY/mt		
Tin	5945	55	0	55	6000	1140	4860	23-Mar	69060	-0.33
Zinc	268600	0	0	0	268600	33050	235550	01-Apr	69140	-0.33

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	17424	0.02	GBP	1.2678	0.0473	Gold	2028.27	-0.3503	2019.3	2027.45
DJI	39147	0.04	JPY	150.7900	-0.1857	Silver	22.52	-1.878		2271.5
S&P500	5082	-0.13	EUR	1.0851	0.2772	Gold Comex	2037.6	-0.576		
SSE	2977	-0.93	CNY	7.1976	-0.0167	Platinum	877.78	-2.6754		
Hg Seng	16635	-0.54	AUD	0.6536	-0.3962	Palladium	951.47	-2.5263		
Brent	82	0.70	CAD	1.3514	-0.0666					

Source: Bloomberg
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All price data is from 26.02.2024 as of 17:30

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