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# Daily Base Metals Report

US stocks opened higher today after the release of Consumer Price Index (CPI) data, which highlighted a rise in price pressures for February, mainly driven by escalating energy and housing costs. The headline inflation rate was at 3.2% YoY, slightly above the anticipated 3.1%, while core inflation—which excludes volatile food and energy prices—eased to 3.8% YoY from 3.9% YoY, narrowly missing the forecasted 3.7% YoY. Although inflation has receded from its mid-2022 peak, it continues to significantly surpass the Fed's 2% target as the central bank gears up for its two-day policy meeting next week. This inflation data has tempered the recent wave of optimism among investors, stoking concerns that the Fed may delay interest rate cuts longer than the markets had hoped. Consequently, the yield on the 10-year US Treasury note rose to 4.146%, and the dollar index climbed back above the 103 mark.

Base metals edged slightly higher today, continuing on yesterday's gains. While the recent narrative has been driven mostly by a softer macro picture, today's upside, despite the dollar breaking back above the 103 level, suggests that the appetite for higher prices is building across the complex. In particular, nickel continues to post broad gains, holding comfortably above the \$18,000/t level, while testing the resistance at \$18,500/t today. Likewise, aluminium and copper are testing their robust resistance at \$2,270/t and \$8,700/t, respectively, indicating that there is an increasing push to break out of these ranges. If these levels are breached, it could trigger strong gains. This is further supported by growing COT positioning for both aluminium and copper, with the latter reaching the highest level in 3 years. Elsewhere, lead continued to strengthen, holding above the \$2,100/t level.

The surge in US Treasury yields was accompanied by a drop in precious metal prices. Gold dipped to \$2,163/oz, with silver experiencing a similar decline to \$24.00/oz, only to recover to \$24.22/oz. Oil prices, on the other hand, remained consistent within their prevailing ranges, with WTI and Brent crude trading at \$78.20/bl and \$82.50/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2250	2270	2243	2265	2252	17830	696238	-46.44	102.56
Copper	8654	8700	8605	8657	8654	22478	285430	-94.00	392.72
Lead	2124	2147	2119	2144	2121	7126	149777	-10.62	97.30
Nickel	18275	18570	18085	18551	18275	6405	207402	-226.50	840.52
Tin	27505	27720	27315	27520	27490	401	19077	-102.00	1243.99
Zinc	2562	2592	2526	2561	2566	13493	232858	-37.26	115.94
					<b>Total:</b>	<b>67733</b>	<b>1590782</b>		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2213.5	2263	2475.99	2560.99	2213.65	2259	2197.4375	2241.4375	
Copper	8566	8664	8746.75	8726.75	8559.65	8653	8487.625	8580.875	
Lead	2134	2143	2179.7	2207.7	2115.38	2126	2080.3125	2086.6875	
Nickel	18135	18400	19871	20581	18159.26	18377	17671.875	17926.875	
Tin	27600	27660			27538	27634	27048.125	27206.875	
Zinc	2535	2572.5	2600.99	2620.99	2533	2567	2458.375	2497.75	

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	577675	0	2000	-2000	575675	226700	348975	Comex, USc/lb		
Copper	110850	200	150	50	110900	14275	96625	MAR 24	388.5	-0.88
Lead	191575	300	0	300	191875	8750	183125	MAY 24	389.15	-0.88
Nickel	73572	0	0	0	73572	5046	68526	Shanghai, CNY/mt		
Tin	5300	15	0	15	5315	1220	4095	23-Mar	69360	-0.50
Zinc	271950	0	2100	-2100	269850	69025	200825	01-Apr	69530	-0.53

#### Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	17965	1.23	GBP	1.2775	-0.3044	Gold	2162.54	-0.9259	2178.45	2180.45
DJI	38853	0.21	JPY	147.7500	-0.5415	Silver	24.19	-1.1574		2435.5
S&P500	5149	0.61	EUR	1.0915	-0.1007	Gold Comex	2168.1	-0.937		
SSE	3056	-0.41	CNY	7.1811	0.0042	Platinum	924.41	-1.4467		
Hg Seng	17094	3.05	AUD	0.6594	-0.3024	Palladium	1038.46	0.6016		
Brent	82	0.24	CAD	1.3507	-0.1777					

Source: Bloomberg  
Updated: 12/03/2024 17:30

All price data is from 12.03.2024 as of 17:30

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