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Daily Base Metals Report

US stocks started lower today as investors braced for the Federal Reserve's interest rate statement. The Fed has kept the rates unchanged, but reiterated that inflation, while softening, is still elevated relative to the target. While policymakers are still on track to cut rates this year, the number of cuts for 2025 has been brought down to three versus four mentioned in the previous meeting. The dollar index saw a slight increase today, trading just below the 104 mark, while the 10-year US Treasury yield remained stable at 4.28%. MBA Mortgage Applications, a weekly measure of nationwide home loan requests, fell by 1.6% for the week ending March 15th. The prolonged period of high interest rates has deterred many potential homebuyers. However, as rates start to decline, this trend is likely to reverse in the second half of the year. In Europe, the consumer confidence indicator showed a modest improvement in March, increasing by 0.6 percentage points to -14.9, up from February's -15.5. Despite some positive changes, consumer confidence remains significantly below the long-term average, impacted by high borrowing costs that weigh on demand and production.

Base metals were little changed today in anticipation of the Fed's meeting. Even a slight dollar upside failed to reverse some of the gains seen across prices. In particular, copper edged lower but struggled to break below the robust trend support at \$8,835/t, prompting prices to close at \$8,928/t. Aluminium held its nerve above \$2,250/t at \$2,273/t. Lead sold off, erasing most of March gains, falling back to \$2,064/t. Zinc, on the other hand, held comfortably above the \$2,500/t level.

Precious metal prices stayed relatively stable, with gold at \$2,157/oz and silver at \$24.9/oz. Oil prices saw a slowdown in momentum today, with WTI dropping to \$81.55/bl and Brent crude climbing to \$85.8/bl.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|-----------|-------|-------|-------|-----------|---------------|--------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2268 | 2287 | 2265 | 2273 | 2269 | 18841 | 650198 | -49.00 | 103.24 |
| Copper | 8960 | 9012 | 8887 | 8928 | 8972 | 19697 | 309806 | -107.00 | 405.31 |
| Lead | 2097 | 2104 | 2063 | 2064 | 2095 | 7955 | 141775 | -46.75 | 93.74 |
| Nickel | 17390 | 17580 | 17265 | 17492 | 17380 | 4984 | 196572 | -202.50 | 795.38 |
| Tin | 27250 | 27500 | 27025 | 27230 | 27265 | 668 | 18720 | -241.00 | 1239.23 |
| Zinc | 2500 | 2526 | 2494 | 2508.5 | 2502 | 6245 | 220769 | -46.90 | 113.90 |
| | | | | | Total: | 58390 | 1537840 | | |

| Official Prices | | | | | | | Monthly Avg | | |
|-----------------|--------|--------|------------|-------------|----------|--------|-------------|-------------|--|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M | |
| Aluminium | 2231.5 | 2283 | 2493 | 2581 | 2218.15 | 2269 | 2206.107143 | 2252.75 | |
| Copper | 8790 | 8898 | 9065 | 9065 | 8870.81 | 8976.5 | 8640.285714 | 8738.214286 | |
| Lead | 2015.5 | 2072 | 2154.5 | 2180.5 | 2048.17 | 2093 | 2086.214286 | 2100.035714 | |
| Nickel | 17300 | 17460 | 18805.5508 | 19520.55078 | 17189.93 | 17395 | 17698.21429 | 17950.71429 | |
| Tin | 26900 | 27150 | | | 27206 | 27445 | 27409.28571 | 27570 | |
| Zinc | 2462 | 2507.5 | 2553 | 2568 | 2458.6 | 2505.5 | 2477.071429 | 2517.892857 | |

| LME Stocks (tonnes) | | | | | | | Other Copper Markets | | | |
|---------------------|---------|-------|------|------------|---------|------------|----------------------|------------------|--------------|--|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | % Change | |
| Aluminium | 566425 | 0 | 100 | -100 | 566325 | 222075 | 344250 | Comex, USc/lb | | |
| Copper | 106700 | 6050 | 425 | 5625 | 112325 | 21200 | 91125 | MAR 24 | 405.85 -1.36 | |
| Lead | 199775 | 67350 | 50 | 67300 | 267075 | 4350 | 262725 | MAY 24 | 407.45 -1.34 | |
| Nickel | 77652 | 162 | 60 | 102 | 77754 | 4620 | 73134 | Shanghai, CNY/mt | | |
| Tin | 5085 | 75 | 35 | 40 | 5125 | 895 | 4230 | 01-Apr | 72540 -0.73 | |
| Zinc | 267200 | 4825 | 1500 | 3325 | 270525 | 59725 | 210800 | 01-May | 72620 -0.89 | |

| Global Markets | | Currencies | | Precious Metals | | Previous Day's Fix | |
|----------------|----------|------------|----------|-----------------|----------|--------------------|-----------------|
| Last | % Change | Last | % Change | Last | % Change | AM | PM |
| DAX | 18014 | 0.15 | GBP | 1.2717 | -0.0393 | Gold | 2157.38 -0.0097 |
| DJI | 39141 | 0.08 | JPY | 151.5700 | -0.4684 | Silver | 24.90 -0.0714 |
| S&P500 | 5179 | 0.01 | EUR | 1.0858 | -0.0736 | Gold Comex | 2181.8 0.028 |
| SSE | 3080 | 0.55 | CNY | 7.1994 | 0.0000 | Platinum | 897.72 0.0814 |
| Hg Seng | 16543 | 0.08 | AUD | 0.6532 | 0.0000 | Palladium | 1001.64 0.5986 |
| Brent | 86 | -1.71 | CAD | 1.3558 | 0.0664 | | |

Source: Bloomberg
Updated: 20/03/2024 17:30

All price data is from 20.03.2024 as of 17:30

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