



Authors

Daria Efanova
Head of Research

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Daily Base Metals Report

US stocks opened higher today. ADP report, which is considered to be a preliminary look at employment data before a more detailed release on Friday, pointed to a smaller-than-expected monthly number of hired workers in May. The reading stood at 152k, below expectations of 175k and much lower than the 192k recorded in April. The markets await unemployment data on Friday, which will paint a better picture of the current state of the US labour market. With growing expectations of the first Fed interest rate cut in September, the 10-year US Treasury yield continued declining today, trading at 4.3%. At the same time, the dollar appreciated against other major currencies and stood at 104.3.

Another day of softness was seen across the base metals market, as copper remained below the \$10,000/t mark. While copper's downside was marginal due to the support at \$9,860/t holding firm, other metals faced stronger selling pressures. We believe the surge in copper prices led the entire market to trade above its fair value, and the recent decline is a result of a mean-reverting strategy. In particular, lead and zinc weakened to \$2,2243/t and \$2,925/t, respectively. Nickel is closing up to the \$18,000/t level, where we believe the market will find a robust support level in the longer term.

Gold made up most of yesterday's losses, trading at \$2,348/oz. Silver edged slightly higher and stood at \$29.7/oz. Oil remained mostly unchanged, with WTI and Brent crude at \$73/bbl and \$77.8/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2663	2663	2615	2622	2662	19181	670547	-51.94	119.11
Copper	9955	9982	9860	9925.5	9928	20455	341783	-121.00	451.71
Lead	2244	2255	2211	2229.5	2243	7926	151590	-62.60	101.52
Nickel	18910	19075	18240	18288	18860	10105	203313	-255.98	838.25
Tin	32015	32020	31280	31321	31830	726	19406	-317.00	1433.37
Zinc	2935	2937	2854	2864	2925	13890	242120	-61.08	130.59
					Total:	72283	1628759		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	3M
Aluminium	2577	2624	2737.37	2762	2618.42	2663.5	2601.666667	2645.666667
Copper	9769	9890	10076.67	10020.66016	9820.12	9945	9871	9995.333333
Lead	2176	2228	2310.76	2326.76	2180.4	2243	2201.666667	2257.666667
Nickel	18340	18590	19307.06	19961.06	18820.55	19068	18855	19128.333333
Tin	31375	31700			31645.49	31932	31991.666667	32225
Zinc	2823	2880.5	2873.08	2696.08	2876.42	2935	2873.666667	2926.333333

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1109900	1400	0	1400	1111300	525925	585375	Comex, USc/lb		
Copper	118950	1450	400	1050	120000	5625	114375	JUL 24	465.85	-3.06
Lead	181950	0	1500	-1500	180450	35300	145150	SEP 24	466.6	-2.61
Nickel	83514	1212	6	1206	84720	4458	80262	Shanghai, CNY/mt		
Tin	5000	0	0	0	5000	465	4535	01-Jun	81950	-1.68
Zinc	254600	4925	1875	3050	257650	24800	232850	01-Jul	82220	-1.91

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	18576	0.93	GBP	1.2766	-0.0313	Gold	2353.65	1.1448	2326.00
DJI	38743	0.08	JPY	156.2000	-0.8451	Silver	29.90	1.3543	2970.5
S&P500	5328	0.69	EUR	1.0858	-0.1930	Gold Comex	2373.6	1.116	
SSE	3065	-0.83	CNY	7.2477	-0.1021	Platinum	997.13	0.4311	
Hq Seng	18425	-0.10	AUD	0.6639	-0.1504	Palladium	933.13	1.7867	
Brent	78	0.45	CAD	1.3714	-0.2771				

Source: Bloomberg
Updated: 05/06/2024 17:30

All price data is from 05.06.2024 as of 17:30

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