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Daily Base Metals Report

Global equities drifted lower today, gripped by concerns over political uncertainty in France, driving the risk-off sentiment across the board. The nation's equity and bond market deteriorated sharply, spiking fears about a potential euro crisis. The premium to own the 10-year OATs over German bunds headed for the biggest weekly jump on record. Despite the Fed's Reserve's decision yesterday to leave interest rates unchanged and to lower its projection to just one rate cut this year, the market's macroeconomic reaction was subdued. Forward swaps are still anticipating 50bps in cuts within the year. The dollar rallied back above 105 to 105.80, while the 10-year yield edged lower to 4.2%.

The base metals complex softened today, pulled down by a stronger dollar, causing futures to test the current support levels. Recent macroeconomic pressures have dampened the performance of the complex; however, the outlook appears to be slowly turning more positive, and we expect to see slight gains in the near term. In the meantime, aluminium remained supported above the \$2,500/t level as copper tested the \$9,680/t level, closing slightly above it at \$9,741.50/t. Lead continued to soften, breaking below the \$2,150/t. Nickel closed above the \$17,500/t level, which we see as a fundamental support level.

WTI and Brent edged higher to \$78/bl and \$82/bl, erasing the previous day's losses. Meanwhile, a risk-off sentiment in Europe prompted investors to flee to safe havens, strengthening gold and silver to \$2,329/oz and \$29.10/oz, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2539	2553	2502	2517	2545	15481	662916	-55.50	114.10
Copper	9782	9852	9706	9741.5	9787	16892	333507	-133.00	441.87
Lead	2170	2174	2129	2139.5	2163	7424	146257	-52.50	96.87
Nickel	17665	17795	17400	17575	17750	5355	196856	-246.81	793.79
Tin	32725	33005	32165	32318	32820	359	19789	-240.00	1468.52
Zinc	2874	2874	2759	2767.5	2870	11295	230871	-55.67	125.44
					Total:	56806	1590196		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2465.5	2530	2681.3	2711.3	2498.78	2557	2540.05	2593.65	
Copper	9650	9781	9921	9871	9663.72	9794.5	9772.5	9898.5	
Lead	2109	2163.5	2232.66	2248.66	2111.16	2166	2155.05	2210.45	
Nickel	17275	17500	18637	19337	17396.42	17645	18048	18300	
Tin	32410	32700			32538	32794	32174	32424.5	
Zinc	2732	2790	2886.12	2757.12	2804.33	2860	2808.95	2864.35	

LME Stocks (tonnes)						Other Copper Markets				
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1085550	0	6500	-6500	1079050	592725	486325	Comex, USc/lb		
Copper	132075	2175	325	1850	133925	4650	129275	JUL 24	448.15	-1.87
Lead	193200	3975	450	3525	196725	24775	171950	SEP 24	448	-1.74
Nickel	86664	816	0	816	87480	4326	83154	Shanghai, CNY/mt		
Tin	4665	0	55	-55	4610	115	4495	01-Jun	79330	-0.09
Zinc	255900	0	1700	-1700	254200	26875	227325	01-Jul	79680	-0.44

Global Markets		Currencies			Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18012	-1.39	GBP	1.2680	-0.6425	Gold	2326.25	0.9565	2316.35	2310.80
DJI	38538	-0.28	JPY	157.2400	-0.1336	Silver	29.10	0.4453		2924
S&P500	5419	-0.27	EUR	1.0699	-0.3539	Gold Comex	2341.8	1.027		
SSE	3033	0.12	CNY	7.2557	-0.0441	Platinum	954.98	0.2277		
Hg Seng	17942	-0.94	AUD	0.6613	-0.3466	Palladium	890.38	-0.0045		
Brent	83	-0.22	CAD	1.3746	-0.0218					

Source: Bloomberg
Updated: 14/06/2024 17:30

All price data is from 14.06.2024 as of 17:30

Risk warning

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