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Daily Base Metals Report

US stocks rose at the opening today, kicking off a week packed with economic data releases. Investors are particularly focused on the PCE index due on Friday, which will provide insights into the possible timing of the Fed's first interest rate cut. Currently, forward swaps are pricing in nearly a 75% chance of a rate cut in September. Markets are already anticipating two 25bps cuts; any indication that a September cut is likely will align with market expectations. Conversely, any hint away from a cut could significantly increase market volatility. The dollar index fell back below 105.5, while the 10-year US Treasury yield remained mostly unchanged at 4.25%.

Another quiet start for base metals trading this week, with marginal moves across the complex. Copper edged lower to test the support level at \$9,650/t; however, this level held firm, prompting the metals to come back to close at \$9,661/t. Investors have unwound their positions in recent weeks, and as we settle into a summer market, volumes and volatility will likely soften. We believe that the market still has more room on the upside, but the timing is now extended, given a defensive market. We expect metals to remain in range in the near term. Other metals followed copper's trend. Aluminium and nickel tested their respective support levels at \$2,500/t and \$17,000/t. Lead and zinc were rangebound.

Precious metals bounced back slightly after Friday's losses. Gold appreciated above its 50-day moving average, standing at \$2,333/oz, while silver hovered around the \$29.6/oz level. Oil prices also rebounded after Friday's losses, with WTI and Brent crude trading at \$81.1/bbl and \$85.5/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2511	2531	2496	2503	2513	14122	653404	-49.50	113.74
Copper	9655	9730	9625	9661	9680	13338	323339	-145.00	438.15
Lead	2188	2202	2175	2183	2186	3422	140260	-45.36	99.00
Nickel	17200	17415	17100	17325	17170	3735	199858	-264.53	784.27
Tin	32640	32950	32555	32746	32800	523	19072	-223.00	1483.49
Zinc	2855	2887	2831	2846	2858	5964	230651	-60.00	129.05
					Total:	41104	1566584		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2454.5	2506	2658.77	2708.77	2464.95	2513.5	2503.84375	2558.03125
Copper	9530	9677	9895.5	9915.5	9547.61	9682.5	9688.8125	9821.375
Lead	2147	2190	2237.25	2251.25	2145.64	2191	2148.84375	2200.375
Nickel	16955	17270	18395.63	19105.63	16978.13	17224	17662.8125	17927.8125
Tin	32595	32850			32437.5	32671	32205.3125	32445
Zinc	2799	2858	2870.75	2759	2786.92	2844	2799.5	2854.6875

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1055425	0	5600	-5600	1049825	583325	466500	Comex, USc/lb		
Copper	165175	2950	300	2650	167825	2975	164850	JUL 24	444.2	-2.63
Lead	225275	0	1325	-1325	223950	22350	201600	SEP 24	442.85	-2.09
Nickel	90450	480	24	456	90906	4764	86142	Shanghai, CNY/mt		
Tin	4735	0	0	0	4735	220	4515	01-Jul	78560	-1.44
Zinc	242525	0	2125	-2125	240400	16825	223575	01-Aug	78770	-1.50

Global Markets

Global Markets			Currencies		Precious Metals		Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18343	0.99	GBP	1.2684	0.3084	Gold	2327.97	0.258	2364
DJI	39498	0.89	JPY	159.7400	0.0376	Silver	29.46	-0.3069	
S&P500	5483	0.34	EUR	1.0725	0.2993	Gold Comex	2340.5	0.399	3043.5
SSE	2963	-1.17	CNY	7.2592	0.0248	Platinum	998.45	0.3568	
Hq Seng	18028	0.00	AUD	0.6653	0.1807	Palladium	981.18	2.7618	
Brent	86	0.79	CAD	1.3661	0.2269				

Source: Bloomberg
Updated: 24/06/2024 17:30

All price data is from 24.06.2024 as of 17:30

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