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Daily Base Metals Report

US stocks opened higher today following the release of PCE data, which indicated that price pressures are rising at the lowest annual rate since March 2021. The closely watched inflation gauge softened to 2.6% YoY in May compared to 2.7% YoY, which aligns with expectations. The first half of the year has seen a continuous repricing of investors' expectations regarding the start of the Fed's monetary easing. While traders had anticipated at least six rate cuts earlier in 2024, they now expect only two, starting in September. The dollar index decreased below the 106 level, while the 10-year US Treasury yield declined to 4.29%.

Base metals strengthened across the board today. While softer dollar moves helped the momentum on the upside, we believe the main reason behind the risk-on appetite was markets rejecting prices below current support levels. In particular, copper solidified the support at \$9,500/t and edged higher to \$9,599/t. Likewise, aluminium tested prices below \$2,500/t, but appetite reversed below that level, prompting prices to increase to \$2,524.50/t. The rest of the complex followed suit.

Gold softened to \$2,325/oz, while silver remained mostly unchanged at \$29.20/oz. Oil prices softened slightly, with WTI and Brent crude at \$81.20/bbl and \$86.30/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion US\$/lb
Aluminium	2498	2543	2494	2524.5	2496	15711	653491	-40.00	114.60
Copper	9519	9674	9497	9599	9514	15063	328760	-143.00	435.52
Lead	2186	2220	2179	2224	2187	3930	146326	-50.68	100.36
Nickel	17225	17330	17110	17291	17260	4024	207411	-250.76	781.09
Tin	32350	33245	32265	32729	32395	768	19390	-261.00	1487.34
Zinc	2942	2993	2930	2937.5	2944	11547	240102	-57.00	133.54
					Total:	51043	1595480		

	Official Prices				PD		Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	Cash	3M	Cash	3M
Aluminium	2485.5	2526	2640.68	2695.68	2447.97	2492.5	2495.05	2547.5
Copper	9476.5	9625	9855	9810.55	9372.07	9515.5	9641.6	9777.2
Lead	2160	2210	2237.61	2251.61	2129.82	2180.5	2147.825	2198.75
Nickel	16960	17270	18420.4	19140.4	16843.6	17103	17508.25	17779.75
Tin	33000	33200			31955	32208	32228.75	32464.75
Zinc	2919.5	2976	2955.5	2845.5	2872.16	2929.5	2812.85	2868.4

	LME Stocks (tonnes)					Other Copper Markets				
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1032875	0	5950	-5950	1026925	560425	466500	Comex, US\$/lb		
Copper	177750	2500	125	2375	180125	9100	171025	JUL 24	432.85 -0.95	
Lead	223500	975	100	875	224375	28600	195775	SEP 24	434.85 -0.42	
Nickel	93864	1188	18	1170	95034	4740	90294	Shanghai, CNY/mt		
Tin	4780	10	20	-10	4770	260	4510	01-Jul	77830 0.21	
Zinc	239600	22800	325	22475	262075	31250	230825	01-Aug	78100 0.24	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18234	0.13	GBP	1.2642	0.0237	Gold	2330.36	0.113	2310.55
DJI	39236	0.18	JPY	160.8100	-0.0311	Silver	29.31	1.1756	2887
S&P500	5500	0.31	EUR	1.0715	0.1028	Gold Comex	2340.7	0.175	
SSE	2967	0.73	CNY	7.2671	0.0234	Platinum	1004.6	1.4143	
Hq Seng	17719	0.01	AUD	0.6675	0.4212	Palladium	984.06	4.9966	
Brent	86	0.09	CAD	1.3686	0.1096				

Source: Bloomberg
Updated: 28/06/2024 17:30

All price data is from 28.06.2024 as of 17:30

Risk warning

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