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Daily Base Metals Report

US stocks opened higher today. Data from the world's largest economy pointed to a slight downturn in manufacturing activity in June. The S&P Global Manufacturing PMI for the US came in lower than expected at 51.6, compared to 51.7 in May, while the ISM Manufacturing Index fell to 48.5 from 48.7. The dollar index softened slightly to 105.62, while the 10-year US Treasury yield edged higher, testing 4.45%. Elsewhere, the outcome of the first round of the French elections sparked a relief rally, with the euro rising and the yield differential with German bonds narrowing. The absence of gridlock between the far-right and far-left reduced concerns about a radical policy shift. Markets are now pricing in a lower probability of Le Pen securing a majority compared to last week. If three parties remain in the race, uncertainty about the outcome will likely stay high this week.

The base metals complex started the week on the front foot, partly due to better-than-expected data from China. Specifically, Caixin Manufacturing PMI showed the fastest growth since May 2021, with strong production and employment figures. This led to a rally in the Shanghai property index, indicating a potential shift in sentiment towards the property sector in the region. While we believe the segment will begin the recovery process in the second half of 2024, it may not be sufficient to boost demand and prices significantly. We anticipate that fundamental factors will continue to drive a marginal upside this week. In the meantime, aluminium edged back above the \$2,500/t level while copper tested the \$9,690/t resistance. The rest of the complex followed suit.

Precious metals saw an uptick, with gold increasing above \$2,330/oz and silver testing \$29.4/oz. Oil also appreciated, with WTI and Brent crude trading at \$82.2/bbl and \$85.7/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2510	2548	2510	2515.5	2518	12052	652815	-39.50	114.19
Copper	9567	9691	9530	9630	9586	14872	327110	-141.24	437.24
Lead	2216	2236	2212	2218.5	2222	3913	144151	-47.26	100.79
Nickel	17190	17475	17180	17357	17190	4456	206677	-261.01	791.75
Tin	32630	33120	32630	32900	32820	349	19405	-250.00	1492.56
Zinc	2933	2977	2905	2928.5	2941	10199	237167	-61.50	132.86
					Total:	45841	1587325		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2496.5	2532.5	2669.92	2719.42	2487.82	2524.5	2496.5	2532.5
Copper	9517	9661	9756.58984	9896.94	9455.98	9599	9517	9661
Lead	2185	2226	2285.05	2299.05	2176.74	2224	2185	2226
Nickel	17220	17420	18465.37	19185.37	17040.24	17291	17220	17420
Tin	32840	33050			32478	32739	32840	33050
Zinc	2912	2974	2968.22	2853.22	2878.54	2937.5	2912	2974

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1026925	0	5575	-5575	1021350	554850	466500	Comex, USc/lb	
Copper	180125	0	75	-75	180050	17025	163025	JUL 24	432.85
Lead	224375	0	175	-175	224200	30050	194150	SEP 24	434.85
Nickel	95034	402	0	402	95436	4938	90498	Shanghai, CNY/mt	
Tin	4770	0	20	-20	4750	240	4510	01-Jul	77830
Zinc	262075	0	225	-225	261850	45200	216650	01-Aug	78100

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18319	0.46	GBP	1.2638	-0.0554	Gold	2327.37	0.0266	2330.90
DJI	39139	0.05	JPY	161.6100	-0.4517	Silver	29.25	0.3606	2937
S&P500	5459	-0.03	EUR	1.0722	0.0840	Gold Comex	2337.4	-0.094	
SSE	2995	0.92	CNY	7.2684	-0.0151	Platinum	976.54	-1.9794	
Hq Seng	17719	0.01	AUD	0.6651	-0.2849	Palladium	973.38	-0.3807	
Brent	86	1.46	CAD	1.3746	-0.4874				

Source: Bloomberg
Updated: 01/07/2024 17:30

All price data is from 01.07.2024 as of 17:30

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