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# Daily Base Metals Report

US stocks opened lower today. The dollar index slightly declined to 105.8, while the 10-year US Treasury yield remained mostly unchanged at 4.43%. In the Eurozone, the headline CPI softened in June as expected, with the reading at 2.5% YoY, unchanged from May. However, core inflation saw a slight increase to 2.9% YoY, up from 2.8% in May, driven by rising services prices. Recent months have seen rapid wage growth and weak productivity indicators in the Eurozone services sector, which could solidify rapid price increases, potentially keeping overall inflation above target for an extended period. The ECB is not expected to implement any more interest rate cuts until October.

The base metals market started the day positively, with copper leading the way in price gains. Copper prices once again tested the \$9,700/t level but struggled above it, prompting prices to come back to \$9,672.50/t. Aluminium was seen at \$2,522.50/t. However, it seems that individual metals' fundamentals are now starting to have a bigger impact on prices, potentially causing a disconnect between copper and the rest of the market. Nickel, in particular, due to its strong correlation to copper in recent months, has seen prices fluctuate outside of its fundamental trading range. However, increased selling pressure weakened prices today, and the key support level was tested at \$17,000/t. Among all base metals, nickel has the strongest fundamental narrative to keep prices subdued due to the global oversupply coming from Indonesia. While we expect prices to find support above \$18,000/t in the medium term, the dislocation with copper will likely grow soon.

Gold softened slightly, hovering around the \$2,330/oz level, while silver appreciated, testing \$29.80/oz. Oil continued its climb, with WTI and Brent crude rising to \$83.3/bbl and \$86.7/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2518	2537	2513	2522.5	2518	11907	646409	-46.72	114.40
Copper	9630	9750	9607	9672.5	9636	17851	325628	-143.00	438.99
Lead	2219	2239	2200	2202.5	2214	5595	142421	-39.00	99.97
Nickel	17400	17570	16970	17004	17450	6097	206536	-263.08	772.93
Tin	32795	33165	32700	32922	32905	343	19484	-249.33	1487.80
Zinc	2925	2953	2916	2922.5	2917	7284	237802	-58.63	132.77
					<b>Total:</b>	<b>49077</b>	<b>1578280</b>		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	3M
Aluminium	2489.5	2531	2669.4	2739.4	2471.74	2515.5	2493	2531.75
Copper	9546.5	9695	9867.56	9897.56	9482.77	9630	9531.75	9678
Lead	2198	2230	2281.08	2295.08	2172.85	2218.5	2191.5	2228
Nickel	17185	17475	18108.8008	18853.80078	17095.99	17357	17202.5	17447.5
Tin	32900	33150			32650	32900	32870	33100
Zinc	2873	2934	2956.59	2841.59	2869.33	2928.5	2892.5	2954

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets Last	% Change
Aluminium	1021350	0	6425	-6425	1014925	548525	466400	Comex, USc/lb	
Copper	180050	4500	75	4425	184475	17050	167425	JUL 24	0.82
Lead	224200	2400	525	1875	226075	28925	197150	SEP 24	0.60
Nickel	95436	558	492	66	95502	5646	89856	Shanghai, CNY/mt	
Tin	4750	0	25	-25	4725	215	4510	01-Jul	0.68
Zinc	261850	0	2075	-2075	259775	43125	216650	01-Aug	0.45

#### Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18164	-0.69	GBP	1.2676	0.2055	Gold	2325.09	-0.292	2327.8
DJI	39164	-0.01	JPY	161.5200	-0.0371	Silver	29.47	0.0795	2329.10
S&P500	5484	0.16	EUR	1.0735	-0.0466	Gold Comex	2333.8	-0.218	2924.5
SSE	2997	0.08	CNY	7.2713	-0.0399	Platinum	999.1	1.7538	
Hq Seng	17769	0.29	AUD	0.6658	-0.0300	Palladium	1018.69	3.5917	
Brent	87	-0.05	CAD	1.3695	0.2994				

Source: Bloomberg

Updated: 02/07/2024 17:30

All price data is from 02.07.2024 as of 17:30

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