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Daily Base Metals Report

US stocks opened higher today following better-than-expected retail sales data. Although retail sales were unchanged in June, with a drop in auto dealership receipts offset by strength elsewhere, the dollar index rebounded slightly, trading at 104.4. The 10-year US Treasury yield remained mostly unchanged around the 4.2% level. Today's retail sales data did not alter expectations that the Fed might start cutting interest rates in September amid cooling inflation.

Base metals prices softened again today due to a less optimistic outlook for China, as the nation is hosting the Third Plenum. Market participants do not anticipate any significant announcements from speakers. Following the release of Q2 data from China over the weekend, confidence in the revival of the construction sector remains low, and it is unlikely that any potential stimulus measures will bring about long-term fundamental changes to the segment. The decline was most pronounced in aluminium today, which continued to break lower, testing a robust support level at \$2,400/t; we believe a breach of this level could prompt further declines. Other declines were less pronounced. Copper softened slightly to \$9,663.50/t, as nickel is carefully testing prices below the \$17,000/t level.

Precious metals are gaining momentum as the market becomes increasingly certain that the end of this quarter will bring the first interest rate cuts from the Fed. Gold reached record levels today, trading at \$2,456/oz, while silver increased to \$31.3/oz. Conversely, oil prices softened, with WTI and Brent crude at \$81/bbl and \$84/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2461	2462	2403	2406	2460	28725	620153	-60.28	109.59
Copper	9765	9804	9626	9663.5	9768	22579	319914	-154.50	438.56
Lead	2190	2197	2168	2184	2192	5616	141364	-50.00	99.02
Nickel	16740	16835	16580	16594	16750	5904	204377	-289.56	755.69
Tin	33105	33225	32800	33171	33015	650	18947	-165.00	1503.67
Zinc	2953	2958	2881	2885	2952	10672	230410	-63.80	131.04
					Total:	74146	1535165		

Official Prices					Monthly Avg				
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2377	2436.5	2566.49	2642.49	2402.7	2461.5	2455.791667	2509.333333	
Copper	9565.5	9724	10111.99	10211.99	9652.55	9806	9674.958333	9830	
Lead	2134	2179	2272.04	2286.04	2135.59	2188	2162.291667	2209.833333	
Nickel	16435	16725	17774	18589	16417.26	16701	16884.16667	17162.91667	
Tin	32950	33085			33051	33246	33786.25	33827.08333	
Zinc	2861	2922	2936.9	2827.4	2892.57	2955	2900.708333	2961.458333	

LME Stocks (tonnes)					Other Copper Markets				
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	970725	0	5175	-5175	965550	560075	405475	Comex, USc/lb	
Copper	210325	7925	1775	6150	216475	13250	203225	JUL 24	452.9
Lead	211475	0	2250	-2250	209225	17150	192075	SEP 24	452.65
Nickel	99132	642	198	444	99576	5592	93984	Shanghai, CNY/mt	
Tin	4440	20	0	20	4460	195	4265	01-Jul	0
Zinc	247475	0	1375	-1375	246100	32750	213350	01-Aug	79360

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	18518	-0.39	GBP	1.2957	-0.0848	Gold	2462.11	1.6447	2408.5
DJI	40757	1.36	JPY	158.5500	-0.3091	Silver	31.31	2.0752	3074
S&P500	5648	0.30	EUR	1.0886	-0.0734	Gold Comex	2466.9	1.564	
SSE	2976	0.08	CNY	7.2685	-0.1403	Platinum	998.98	-0.041	
Hq Seng	17728	-1.60	AUD	0.6725	-0.5178	Palladium	961.44	1.0096	
Brent	84	-1.06	CAD	1.3686	-0.0219				

Source: Bloomberg
Updated: 16/07/2024 17:30

All price data is from 16.07.2024 as of 17:30

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