



Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Research Associate

TUE 30 JULY 2024 00:10

Daily Base Metals Report

US stocks rose at the opening of a week packed with significant economic data releases. This week, data from the US labour market, including the ADP Employment report, changes in non-farm payrolls, and the unemployment rate, will be crucial for investors. Last month, a lower-than-expected ADP Employment report influenced market expectations, leading investors to fully price in a Fed interest rate cut in September. The upcoming FOMC meeting and statements from policymakers are expected to confirm that monetary easing will begin in September. As we approach the start of monetary easing, the US economy, despite some weakening, continues to show signs of resilience, making the dollar the most attractive currency in the safe-haven currency basket. The dollar index increased today, standing at 104.7, while the 10-year US Treasury yield softened, trading at 4.18%.

Last week, markets weakened to test new lows, creating the space for a relief rally. However, today's market was muted, with little interest in breaking out of the current ranges. Any upside was met with sellers, and investors struggled to find an entry point. While we believe that the downside is exhausted, the upside will remain defensive in the near term. In the meantime, base metals remained on the back foot today, with aluminium struggling above the \$2,300/t mark as copper is testing the \$9,000/t support level. Lead, which saw signs of a risk-on appetite on Friday, struggled to break above \$2,100/t, edging back to \$2,067.50/t.

A stronger dollar acted as a headwind for precious metals today. Gold softened to \$2,381/oz, while silver declined to \$27.62/oz, the lowest level since early May. Oil continued its downward trend, decreasing to the lowest level since May, with WTI and Brent crude trading at \$75.7/bbl and \$79.7/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2287	2299	2245	2250.5	2281	21298	618702	-60.32	102.01
Copper	9129	9163	8984	9026	9073	15962	289767	-115.55	409.64
Lead	2073	2094	2060	2067.5	2076	6408	142942	-11.29	93.76
Nickel	15850	15960	15710	15837	15825	3498	203782	-272.21	722.81
Tin	29215	29880	29215	29296	29675	385	18519	-230.00	1329.27
Zinc	2679	2698	2631	2637	2663	9080	217460	-54.03	119.84
					Total:	56631	1491172		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2203.5	2263.5	2412.48	2502.48	2233.99	2289	2377.119048	2431.880952	
Copper	8906	9033	9384	9499	8995.45	9111	9439.452381	9582.595238	
Lead	2054	2082	2155.26	2185.26	2056.21	2067.5	2124.047619	2165.142857	
Nickel	15585	15895	16936.6992	17766.69922	15539.55	15794	16436.19048	16723.09524	
Tin	29155	29350			29314.75	29571	32289.28571	32374.7619	
Zinc	2614	2667	2691.86	2666.86	2616.94	2669	2802.595238	2862.714286	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	943675	0	3550	-3550	940125	579875	360250	Comex, USc/lb	
Copper	237750	3000	1650	1350	239100	19975	219125	JUL 24	410.45
Lead	247025	0	3225	-3225	243800	78700	165100	SEP 24	412.4
Nickel	104388	0	0	0	104388	6252	98136	Shanghai, CNY/mt	
Tin	4605	0	0	0	4605	85	4520	01-Aug	74180
Zinc	242350	0	1800	-1800	240550	26625	213925	01-Sep	74350

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18321	-0.53	GBP	1.2850	-0.1321	Gold	2376.88	-0.4319	2374.55
DJI	40595	0.01	JPY	153.9500	-0.1234	Silver	27.56	-1.3135	2775.5
S&P500	5454	-0.09	EUR	1.0820	-0.3316	Gold Comex	2422.1	-0.239	
SSE	2892	0.03	CNY	7.2600	-0.1309	Platinum	951.91	1.2347	
Hq Seng	17238	1.28	AUD	0.6539	-0.1374	Palladium	911.5	0.7082	
Brent	80	-1.82	CAD	1.3854	-0.1299				

Source: Bloomberg
Updated: 29/07/2024 17:30

All price data is from 29.07.2024 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sudden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.suddenfinancial.com/en/risk-warning-and-disclaimers).