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Daily Base Metals Report

US stocks opened lower today, mirroring the decline in European markets following a wave of corporate earnings reports. The final S&P Global US Manufacturing PMI confirmed a contraction in factory activity in July with a reading of 49.6. Both initial and continuing jobless claims came in higher than expected for the weeks ending 27th July and 20th July, respectively. Yesterday's Fed statement confirmed investors' expectations of an interest rate cut in September. The 10-year US Treasury yield plunged below 4.0% today, settling at 3.97%. Meanwhile, the Bank of England cut interest rates for the first time in this monetary cycle by 25bps to 5%. In the Eurozone, the unemployment rate edged slightly higher in June, rising to 6.5% YoY. The dollar strengthened against other major currencies, recovering from yesterday's losses, and stood at 104.3.

Base metals started today on the front foot, following from yesterday's strength. However, in line with our expectations mentioned in the previous report, the market lacked the strength to close another day higher. Still, with prices defending the new support levels, we expect the downside from now on to be limited. Copper tested prices above the \$9,300/t level before softening back to \$9,052.50/t; the support at \$9,000/t is holding firm. Aluminium is once again retesting the \$2,300/t level, closing at \$2,296/t. The rest of the complex followed suit; nickel held above \$16,000/t at \$16,282/t, while lead and zinc tested the \$2,100/t and \$2,700/t levels, respectively.

After rising yesterday, gold remained broadly unchanged today, trading just below \$2,450/oz, while silver decreased to \$28.5/oz. Oil prices traded flat, with WTI and Brent crude at \$77.25/bbl and \$80.4/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2311	2328	2273	2296	2315	20477	639603	-58.39	103.78
Copper	9250	9322	9035	9052.5	9240	24697	290483	-123.50	410.85
Lead	2100	2110	2060	2062	2100	7458	141183	-41.50	93.58
Nickel	16560	16680	16155	16282	16490	5486	205174	-259.11	737.55
Tin	29950	30400	29725	29894	30395	337	18750	-240.00	1353.76
Zinc	2699	2724	2650	2707	2698	10574	218575	-58.95	122.43
					Total:	69029	1513768		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	
							Cash	3M
Aluminium	2228.5	2287	2459.89	2557.89	2228.01	2290.5	2228.5	2287
Copper	8998	9127	9535.48047	9690.47	9102.28	9225	8998	9127
Lead	2047	2078	2149	2209.72	2048.45	2083.5	2047	2078
Nickel	15870	16225	17295.76	18090.76	16336.14	16604	15870	16225
Tin	29635	29900			29807.83	30056	29635	29900
Zinc	2621.5	2684.5	2755.19	2728.69	2615.59	2675.5	2621.5	2684.5

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	933125	0	3800	-3800	929325	570075	359250	Comex, USc/lb		
Copper	239275	7200	1325	5875	245150	16125	229025	SEP 24	417.65	2.26
Lead	236925	0	2600	-2600	234325	70600	163725	DEC 24	421.5	2.16
Nickel	105186	4764	0	4764	109950	6510	103440	Shanghai, CNY/mt		
Tin	4600	100	0	100	4700	300	4400	01-Aug	74780	1.62
Zinc	236375	0	1700	-1700	234675	22700	211975	01-Sep	74950	1.83

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18083	-2.30	GBP	1.2770	-0.6689	Gold	2445.87	-0.0707	2419.6	2426.30
DJI	40327	-1.26	JPY	150.0600	-0.0533	Silver	28.46	-1.883		2856
S&P500	5463	-1.08	EUR	1.0789	-0.3418	Gold Comex	2489.9	0.683		
SSE	2932	-0.22	CNY	7.2444	-0.2443	Platinum	966.58	-1.2424		
Hg Seng	17305	-0.23	AUD	0.6521	-0.3210	Palladium	906.2	-2.428		
Brent	80	-0.72	CAD	1.3846	-0.2744					

Source: Bloomberg
Updated: 01/08/2024 17:30

All price data is from 01.08.2024 as of 17:30

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