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Daily Base Metals Report

Global stock markets continued to rebound today from the losses experienced on Monday. Investors realised that the Monday sell-off was overdone, leading to a recovery and appreciation of previously sold-off assets. The dollar index climbed to 103.2, while the 10-year US Treasury yield increased to 3.9%. We believe the US economy remains relatively resilient, maintaining the trajectory towards a soft landing. The dollar continues to be the most attractive safe-haven currency and is likely to trade in the 103-104 range throughout August. Elsewhere, China's trade surplus narrowed to \$84.65 billion in July, compared to the \$99 billion forecast and \$99.05 billion recorded in June. Exports in July grew at the slowest pace since April, reflecting a slowdown in China's manufacturing sector and indicating weaker global demand ahead.

Softness was seen across the base metals market today, with copper heading for its lowest close since March. The metal closed at \$8,769.5/t as stockpiles increased by the most since 2020, suggesting that demand for copper is not keeping pace with supply. Aluminium declined, closing at \$2,288/t, while nickel depreciated and closed at \$16,296/t. Conversely, lead and tin saw small gains, closing at \$1,967.5/t and \$29,991/t, respectively.

The sell-off in precious metals paused today, with prices edging slightly higher. Gold increased to \$2,395/oz, while silver hovered around the \$27/oz level. Oil continued to trade higher, with WTI and Brent crude at \$75.8/bbl and \$78.5/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2298	2300	2248	2288	2301	20623	661807	-57.28	103.19
Copper	8871	8900	8750	8769.5	8923	19607	292666	-128.57	397.62
Lead	1952	1979	1939	1967.5	1962	6442	149516	-53.72	88.86
Nickel	16380	16390	16180	16296	16445	4358	206753	-264.73	735.05
Tin	29780	30155	29580	29991	29795	375	19262	-94.56	1359.43
Zinc	2602	2603	2549	2581.5	2612	10984	222719	-54.83	116.85
					Total:	62389	1552723		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	
							Cash	3M
Aluminium	2202.5	2263	2445.6	2535.6	2233.78	2296	2203.5	2263.4
Copper	8685	8810	9064.35	9204.35	8804.02	8928.5	8799.1	8929.6
Lead	1918	1962	2087	2127	1897.26	1954	1957.4	2001
Nickel	16075	16290	17236.99	17966.99	16128.16	16385	15971	16234
Tin	29800	29900			29540.22	29651	29587	29735
Zinc	2516	2571.5	2632.75	2603.5	2540.38	2601	2565.7	2623.8

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	918050	0	3600	-3600	914450	558725	355725	Comex, USc/lb		
Copper	252575	42725	550	42175	294750	15225	279525	SEP 24	402.7	0.7
Lead	221975	0	3550	-3550	218425	53350	165075	DEC 24	406.4	0.62
Nickel	110106	588	24	564	110670	7806	102864	Shanghai, CNY/mt		
Tin	4695	20	145	-125	4570	595	3975	01-Aug	71330	0.39
Zinc	247825	0	3450	-3450	244375	16350	228025	01-Sep	71490	0.45

Global Markets

	Last	% Change	Currencies	Last	% Change	Precious Metals	Last	% Change	AM	PM
DAX	17615	1.50	GBP	1.2712	0.1655	Gold	2394.93	0.125	2414.15	2396.55
DJI	39247	0.64	JPY	147.4000	-2.0760	Silver	26.94	-0.1712		2706.5
S&P500	5284	0.84	EUR	1.0926	-0.0457	Gold Comex	2435.1	0.144		
SSE	2870	0.09	CNY	7.1775	-0.3023	Platinum	926.15	1.213		
Hg Seng	16878	1.38	AUD	0.6548	0.4294	Palladium	905.38	3.7281		
Brent	79	2.86	CAD	1.3730	0.4006					

Source: Bloomberg
Updated: 07/08/2024 17:30

All price data is from 07.08.2024 as of 17:30

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