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Daily Base Metals Report

US stocks opened higher today following the release of inflation data. Newly released US CPI for July showed that inflation softened more than expected, suggesting that price pressures are easing further and increasing the likelihood that the Federal Reserve might opt for a more aggressive monetary easing, potentially cutting rates by 50bps in September. The headline CPI came in at 2.9% in July compared to 3.0% in June, while core inflation softened to 3.2% from 3.3%. The dollar index declined and stood at 102.45, while the 10yr yield tested 3.8% before coming back up and trading at 3.82%. Elsewhere, the UK CPI increased to 2.2% YoY in July, marking its first rise this year. However, the uptick was modest and fell short of expectations, largely due to a slower-than-anticipated rise in services prices.

The base metals market remained quiet today, with only marginal movements across the complex. Aluminium was mostly unchanged, closing at \$2,335.5/t. Copper edged slightly lower, settling at \$8,963/t, while nickel closed at \$16,276/t. Lead and zinc saw slight increases, trading at \$2,007.5/t and \$2,715/t, respectively.

Despite a softer dollar and lower Treasury yields, precious metals declined today. Gold decreased to \$2,442.5/oz, while silver fell below \$27.5/oz. Oil prices also edged slightly lower, with WTI and Brent crude trading at \$77.7/bbl and \$80.4/bbl, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|-----------|-------|-------|-------|-----------|--------|--------|-----------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2333 | 2365 | 2319 | 2335.5 | 2326 | 18490 | 652860 | -49.26 | 105.85 |
| Copper | 8986 | 9055 | 8938 | 8968.5 | 8979 | 15838 | 284055 | -106.00 | 406.31 |
| Lead | 1998 | 2022 | 1983 | 2009 | 1985 | 4925 | 148313 | -37.48 | 91.17 |
| Nickel | 16385 | 16455 | 16135 | 16276 | 16400 | 4097 | 205894 | -257.29 | 739.36 |
| Tin | 31475 | 31680 | 31265 | 31430 | 31385 | 265 | 19613 | -125.00 | 1418.85 |
| Zinc | 2695 | 2752 | 2677 | 2715 | 2688 | 11600 | 219460 | -52.48 | 122.70 |
| | | | | | Total: | 55215 | 1530195 | | |

| | Official Prices | | | | PD Cash | | Monthly Avg | |
|-----------|-----------------|-------|----------|----------|----------|--------|-------------|---------|
| | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Cash | 3M |
| Aluminium | 2299 | 2349 | 2476.91 | 2562.16 | 2279.04 | 2332 | 2230.85 | 2287.45 |
| Copper | 8906 | 9007 | 9190.72 | 9295.72 | 8847.41 | 8958.5 | 8803.85 | 8928.5 |
| Lead | 1959 | 2000 | 2116.06 | 2156.06 | 1945.3 | 1990.5 | 1965.7 | 2008.05 |
| Nickel | 16035 | 16300 | 17156.67 | 17856.67 | 16060.31 | 16321 | 15987.5 | 16241.5 |
| Tin | 31410 | 31575 | | | 31177 | 31199 | 30474 | 30513.5 |
| Zinc | 2679 | 2733 | 2759.16 | 2730.91 | 2637.22 | 2688.5 | 2613.55 | 2667 |

| | LME Stocks (tonnes) | | | | | | | Other Copper Markets | | |
|-----------|---------------------|------|------|------------|---------|------------|--------------|----------------------|----------|-------|
| | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Last | % Change | |
| Aluminium | 899900 | 0 | 3700 | -3700 | 896200 | 542400 | 353800 | Comex, USc/lb | | |
| Copper | 305625 | 2400 | 600 | 1800 | 307425 | 27975 | 279450 | SEP 24 | 405.15 | -0.42 |
| Lead | 207175 | 0 | 4375 | -4375 | 202800 | 36450 | 166350 | DEC 24 | 408.55 | -0.45 |
| Nickel | 113712 | 0 | 24 | -24 | 113688 | 8022 | 105666 | Shanghai, CNY/mt | | |
| Tin | 4525 | 0 | 125 | -125 | 4400 | 485 | 3915 | 01-Aug | 72060 | -0.29 |
| Zinc | 263150 | 0 | 875 | -875 | 262275 | 24000 | 238275 | 01-Sep | 72150 | -0.54 |

| Global Markets | Last | % Change | Currencies | | Precious Metals | | Previous Day's Fix | | | |
|----------------|-------|----------|------------|----------|-----------------|------------|--------------------|---------|---------|---------|
| | | | Last | % Change | Last | % Change | AM | PM | | |
| DAX | 17886 | 0.41 | GBP | 1.2846 | -0.1244 | Gold | 2444.41 | -0.8417 | 2460.55 | 2471.55 |
| DJI | 40029 | 0.66 | JPY | 146.9400 | -0.0681 | Silver | 27.43 | -1.518 | | 2769.5 |
| S&P500 | 5457 | 0.41 | EUR | 1.1018 | 0.2274 | Gold Comex | 2482.8 | -0.997 | | |
| SSE | 2851 | -0.60 | CNY | 7.1403 | 0.2059 | Platinum | 926.77 | -1.5677 | | |
| Hg Seng | 17113 | -0.35 | AUD | 0.6611 | -0.3467 | Palladium | 930.88 | -1.1952 | | |
| Brent | 80 | -0.37 | CAD | 1.3703 | 0.0219 | | | | | |

Source: Bloomberg
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