

Authors

Daria Efanova

Head of Research

Viktoria Kuszak

Research Associate

THU 22 AUGUST 2024 00:10

Daily Base Metals Report

US stocks opened higher today as investors await the release of the Federal Reserve's meeting minutes, which are expected to provide more insight into the level of consensus among policymakers regarding a potential interest rate cut in September. The first rate cut is now firmly on the table, with forward swaps pricing in over a 30% chance of a 50bps reduction. The dollar remained steady, hovering around the 101.4 level, while the 10-year Treasury yield edged slightly lower, standing at 3.8%.

Base metals held their nerve today as markets cooled their optimism following the recent gains. This is particularly prevalent for aluminium, which posted its 10th consecutive gain, albeit struggling above the \$2,500/t mark today. Copper remained broadly unchanged at \$9,260/t. Likewise, nickel saw a lack of appetite above the \$17,000/t after giving up prices above that level yesterday. On the other hand, zinc continued to gain momentum, supported by talks of potential smelter output cuts in China, prompting the metal to test the \$2,850/t level.

Gold retraced yesterday's gains, settling at \$2,504/oz, while silver remained relatively unchanged, trading just below \$29.5/oz. Although the anticipated September rate cut appears to be priced in, we believe gold still has upside potential. As summer holidays draw to a close, we could see bullion prices reaching new highs. WTl crude experienced a slight decline, trading at \$73.3/bbl, while Brent crude saw a modest increase to \$77.5/bbl.

							Spreads	Conversion	
Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb	
2483	2495	2453	2487	2476	24070	626826	-25.94	112.45	
9196	9276	9151	9260	9182	12263	279836	-123.89	419.49	
2059	2090	2053	2085.5	2061	5333	149904	-33.65	94.46	
16860	17065	16835	16910	16865	5803	200156	-244.21	764.99	
32190	32750	32100	32695	32000	432	18390	-120.00	1482.13	
2797	2863	2787	2850.5	2795	11111	210487	-49.49	129.00	
				Total:	59012	1485599			
rices							Monthly Avg		
Cash	3m	Dec Yr 1	Dec Yr 2		PD Cash	PD 3M	Cash	3M	
2443	2477.5	2622.97	2689.97		2468.07	2502	2276.7	2328.133333	
9138	9258.5	9509.36	9612.37		9085.84	9204	8892.733333	9013.366667	
32535	32700				32136	32276	31043	31108.66667	
2797.5	2848	2893.96	2858.46		2751.13	2805	2657.033333	2710.933333	
ks (tonnes)							Other Coppe	r Markets	
Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage		Last	% Chang
	0	3500			531325		Comex, USc/lb		
320050	0	425	-425	319625	36450	283175	SEP 24	415.85	-0.53
191100	0	5600	-5600	185500	25800	159700	DEC 24	420.1	-0.45
114066	1632	96	1536	115602		107634	Shanghai, CNY		
4150	80	0	80	4230		4030			0.00
258800	0	1175	-1175	257625	29625	228000	01-Sep	73710	-0.30
Global Markets Cu			Currencies			Precious Metals		Previous Day's Fix	
% Change			Last	% Change		Last	% Change	AM	PM
18449	0.50	GBP	1.3075	0.3146	Gold	2507.02	-0.2772	2521.55	2529.75
	-0.15	JPY	145.1300	0.0896	Silver	29.47	0.1053		2977
40774									
5600	0.06	EUR	1.1145	0.1348	Gold Comex	2544.8	-0.227		
5600	0.06	EUR	1.1145 7.1328	0.1348			-0.227 1.6288		
			1.1145 7.1328 0.6746	0.1348 -0.0491 0.0148	Gold Comex Platinum Palladium	2544.8 967.77 955.15	-0.227 1.6288 2.7507		
	9196 2059 16860 32190 2797 rices Cash 2443 9138 2052 16640 32535 2797.5 ks (tonnes) Opening 881450 320050 191100 114066 4150 258800	9196 9276 2059 2090 16860 17065 32190 32750 2797 2863 rices Cash 3m 2443 2477.5 9138 9258.5 2052 2084 16640 16900 2797.5 2848 ks (tonnes) Opening In 881450 0 320050 0 19100 0 114066 1632 4150 80 258800 0 arkets	9196 9276 9151 2059 2090 2053 16860 17065 16835 32190 32750 32100 2797 2863 2787 rices Cash 3m Dec Yr 1 2443 2477.5 2622.97 9138 9258.5 9509.36 2052 2084 2155.31 16640 16900 17788.2305 32535 32700 2797.5 2848 2893.96 eks (tonnes) Opening In Out 881450 0 3500 320050 0 425 190100 0 5600 114066 1632 96 4150 80 0 258800 0 1175 erkets Currencies	9196 9276 9151 9260 2059 2090 2053 2085.5 16860 17065 16835 16910 32190 32750 32100 32695 2797 2863 2787 2850.5 rices Cash 3m Dec Yr 1 Dec Yr 2 2443 2477.5 2622.97 2689.97 9138 9258.5 9509.36 9612.37 2052 2084 2155.31 2200.31 16640 16900 17788.2305 18488.23047 32535 32700 2797.5 2848 2893.96 2858.46 ricks (tonnes) Opening In Out Net Change 881450 0 3500 -3500 320050 0 425 -425 3191100 0 5600 -5600 114066 1632 96 1536 4150 80 0 80 258800 0 1175 -1175	9196 9276 9151 9260 9182 2059 2090 2053 2085.5 2061 16860 17065 16835 16910 16865 32190 32750 32100 32695 32000 2797 2863 2787 2850.5 2795 Total: rices Cash 3m Dec Yr 1 Dec Yr 2 2443 2477.5 2622.97 2689.97 9138 9258.5 9509.36 9612.37 2052 2084 2155.31 2200.31 16640 16900 37788.2305 18488.23047 32535 32700 2797.5 2848 2893.96 2858.46	9196 9276 9151 9260 9182 12263 2059 2090 2053 2085.5 2061 5333 16860 17065 16835 16910 16865 5803 32190 32750 32100 32695 32000 432 2797 2863 2787 2850.5 2795 11111 Total: 59012 rices Cash 3m Dec Yr 1 Dec Yr 2 2443 2477.5 2622.97 2689.97 2468.07 9138 9258.5 9509.36 9612.37 9085.84 2052 2084 2155.31 2200.31 2019.85 16640 16900 17788.2305 18488.23047 16786.53 32535 32700 32136 2797.5 2848 2893.96 2858.46 2751.13 ricks (tonnes) Opening In Out Net Change Closing C-warrants 881450 0 3500 -3500 877950 531325 320050 0 425 -425 319625 36450 191100 0 5600 -5600 185500 25800 114066 1632 96 1536 115602 7968 4150 80 0 80 4230 200 258800 0 1175 -1175 257625 29625	9196 9276 9151 9260 9182 12263 279836 2059 2090 2053 2085.5 2061 5333 149904 16860 17065 16835 16910 16865 5803 200156 32190 32750 32100 32695 32000 432 18390 2797 2863 2787 2850.5 2795 11111 210487 Total: 59012 1485599 rices Cash 3m Dec Yr 1 Dec Yr 2 PD Cash PD 3M 2443 2477.5 2622.97 2689.97 2468.07 2502 9138 9258.5 9509.36 9612.37 9085.84 9204 2052 2084 2155.31 2200.31 2019.85 2053.5 16640 16900 17788.2305 18488.23047 16786.53 17035 32535 32700 32136 32276 2797.5 2848 2893.96 2858.46 2751.13 2805 obstacl Opening In Out Net Change Closing C-warrants Open Tonnage 881450 0 3500 -3500 877950 531325 346625 320050 0 425 -425 319625 36450 283175 191100 0 5600 -5600 185500 25800 159700 114066 1632 96 1536 115602 7968 107634 4150 80 0 80 4230 200 4030 258800 0 1175 -1175 257625 29625 228000	9196 9276 9151 9260 9182 12263 279836 -123.89 2059 2090 2053 2085.5 2061 5333 149904 -33.65 16860 17065 16835 16910 16865 5803 200156 -244.21 32190 32750 32100 32695 32000 432 18390 -120.00 2797 2863 2787 2850.5 2795 11111 210487 -49.49 Total: 59012 1485599 Trices Monthly Avg Cash 3m Dec Yr 1 Dec Yr 2 PD Cash PD 3M Cash 2443 2477.5 2622.97 2689.97 2468.07 2502 2276.7 9138 9258.5 9509.36 9612.37 9085.84 9204 8892.733333 2052 2084 2155.31 2200.31 2019.85 2053.5 1981.533333 16640 16900 17788.2305 18488.23047 16786.53 17035 16099 32535 32700 32100 3200 3216 32276 31043 2797.5 2848 2893.96 2858.46 2751.13 2805 2657.033333 26ks (tonnes) Opening In Out Net Change Closing C-warrants Open Tonnage 881450 0 3500 -3500 877950 531325 346625 Comex, USc/lb 320050 0 425 -425 319625 36450 283175 SEP 24 191100 0 5600 -5600 185500 25800 159700 DEC 24 114066 1632 96 1536 115602 7968 107634 Shanghai, CNY 4150 80 0 80 4230 200 4030 01-Aug 258800 0 1175 -1175 257625 29625 228000 01-Sep	9196 9276 9151 9260 9182 12263 279836 -123.89 419.49 2059 2090 2053 2085.5 2061 5333 149904 -33.65 94.46 16860 17065 16835 16910 16865 5803 200156 -244.21 764.99 32190 32750 32100 32695 32000 432 18390 -120.00 1482.13 2797 2863 2787 2850.5 2795 11111 210487 -49.49 129.00 **Total: 59012 1485599** **Monthly Avg **Cash 3m Dec Yr 1 Dec Yr 2 PD Cash PD 3M Cash 3M 2471.5 2622.97 2689.97 2468.07 2502 2276.7 2328.133333 9138 9258.5 9509.36 9612.37 9085.84 9204 8892.733333 9013.366667 2052 2084 2155.31 2200.31 2019.85 2053.5 1981.533333 2022.5 16640 16900 17788.2305 18488.23047 16786.53 17035 16099 16353 32535 32700 32136 32276 31043 31108.66667 2797.5 2848 2893.96 2858.46 27551.13 2805 2657.033333 2710.933333 **Iks (tonnes)** **Other Copper Markets** **Opening In Out Net Change Closing C-warrants Open Tonnage Last 881450 0 3500 -3500 877950 531325 346625 Comex, USc/llb 320050 0 425 -425 319625 36450 283175 SEP 24 415.85 191100 0 5600 -5600 185500 25800 159700 DEC 24 420.1 114066 1632 96 1536 115602 7968 107634 Shanghai, CNY/mt 4150 80 0 80 4230 200 4030 01-Aug 0 258800 0 1175 -1175 257625 29625 228000 01-Sep 73710 **Arkets** **Other Copper Markets** **Previous Day's F

Source: Bloomberg Updated: 21/08/2024 17:30

All price data is from 21.08.2024 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. Sucden 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.sucdenfinancial.com/en/risk-warning-and-disclaimers).