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Daily Base Metals Report

US stocks dipped at the open today following the release of mixed economic data. The US Manufacturing PMI came in lower than expected, further contracting with a reading of 48.0 in August, while the services sector outperformed with a strong 55.2, suggesting resilience in consumer-driven activities. In the housing market, home sales exceeded expectations, rising to 3.95 million in July compared to 3.89 million in June. In the Eurozone, there was a noticeable convergence between factory activities and services, with the HCOB manufacturing PMI decreasing to 45.6 in August while services improved to 53.3. Meanwhile, UK PMI once again surprised on the upside, with both services and manufacturing readings coming in above expectations at 53.3 and 52.5, respectively. After several days of declines, the dollar index rebounded to 101.6, while the 10-year US Treasury yield jumped to 3.86%.

A mixed day of trading was seen in the base metals complex today as markets attempted to surpass the previous day's resistance levels but struggled to do so. In particular, aluminium retested the \$2,500/t resistance level; however, a lack of appetite above this level prompted the metal to remain below it at \$2,480/t. Likewise, nickel softened to \$16,603/t after hesitating above the \$17,000/t level. Copper weakened to \$9,130.50/t. Metals markets remain quiet during the summer period, with lower OI and liquidity across the board. We see that markets are deferring their risk appetite into Q4, which is anticipated to bring bounds of macro and fundamental volatility.

The stronger dollar put pressure on precious metals today. Gold softened to \$2,479/oz, while silver declined to \$29.0/oz, the lowest level since early May. Oil prices edged higher, with WTI and Brent crude trading at \$73.0/bbl and \$77.2/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2482	2531	2471	2480	2481	23308	623689	-17.08	112.56
Copper	9252	9293	9125	9130.5	9249	14415	278366	-117.50	414.59
Lead	2081	2097	2046	2053	2090	4077	149096	-29.27	93.24
Nickel	16870	16920	16520	16603	16855	5090	199489	-242.22	753.20
Tin	32815	33100	32245	32316	32725	617	18375	-140.00	1466.71
Zinc	2853	2882	2840	2858	2856	11022	211246	-49.49	129.75
					Total:	58529	1480261		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	3M
Aluminium	2471	2492.5	2611.76	2673.76	2461.06	2487	2288.84375	2338.40625
Copper	9061	9190	9509.36	9612.37	9136.11	9260	8903.25	9024.40625
Lead	2062	2082.5	2188.22	2228.22	2056.23	2085.5	1986.5625	2026.25
Nickel	16330	16550	17474.19	18179.19	16665.79	16910	16113.4375	16365.3125
Tin	32755	32850			32575	32695	31150	31217.5
Zinc	2828	2872	2893.96	2858.46	2801.01	2850.5	2667.71875	2721

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	877950	0	3500	-3500	874450	527825	346625	Comex, USc/lb		
Copper	319625	2150	2075	75	319700	33550	286150	SEP 24	419	0.76
Lead	185500	0	3025	-3025	182475	22775	159700	DEC 24	422.65	0.61
Nickel	115602	360	0	360	115962	8016	107946	Shanghai, CNY/mt		
Tin	4230	340	100	240	4470	100	4370	01-Sep	73940	0.31
Zinc	257625	0	775	-775	256850	30950	225900	01-Oct	73990	0.31

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18493	0.24	GBP	1.3094	0.0229	Gold	2482.54	-1.1948	2507.65	2497.95
DJI	40727	-0.40	JPY	145.9800	-0.5275	Silver	29.11	-1.6723		2956
S&P500	5587	-0.60	EUR	1.1114	-0.3229	Gold Comex	2518.5	-1.138		
SSE	2849	-0.27	CNY	7.1448	-0.1875	Platinum	947.34	-2.2504		
Hq Seng	17641	1.44	AUD	0.6708	-0.5338	Palladium	930.33	-2.5159		
Brent	77	1.81	CAD	1.3605	-0.0735					

Source: Bloomberg
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All price data is from 22.08.2024 as of 17:30

Risk warning

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