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Daily Base Metals Report

US stocks opened lower today as investors remain cautious ahead of Nvidia's highly anticipated earnings report due tomorrow. The Conference Board's consumer confidence index for August exceeded expectations, rising to 103.3 and indicating sustained optimism among consumers. Fed Chair Jerome Powell's recent speech essentially confirmed an interest rate cut in September, with market expectations now leaning towards a 25bps reduction. However, there is still a 30% chance of a larger 50bps cut being priced in. This dovish stance has pushed the dollar down to the 101 level, with the greenback trading at 100.7 at the time of writing. The 10-year US Treasury yield remained relatively stable, hovering around the 3.85% mark.

Base metals had a strong start to the week, continuing to build momentum despite concerns about the weakening confidence in the Chinese economy that affected the markets earlier. The upside was mainly driven by USD weakness and short covering by CTAs. Aluminium's upside was notable last week, and today's open above the \$2,500/t level indicates that the market remains on the front foot. Meanwhile, copper, which had modest gains last week, strengthened above the \$9,300/t level to \$9,439.50/t. Lead and zinc followed suit to \$2,124/t and \$2,943/t, respectively.

Gold continued to trade close to record highs, standing at \$2,517/oz, while silver remained steady at \$30/oz. As recent fears of an escalation in the conflict between Israel and Hezbollah have eased, oil prices softened today, with WTI and Brent crude trading at \$76.30/bbl and \$80.30/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2532	2554	2503	2549.5	#N/A N/A	26028	613903	-19.13	115.53
Copper	9308	9453	9291	9448	#N/A N/A	18428	279886	-122.00	428.10
Lead	2113	2126	2102	2124	#N/A N/A	6701	151198	-29.50	96.37
Nickel	16840	17150	16825	17136	#N/A N/A	7373	198706	-230.17	776.33
Tin	32555	33300	32555	33244	#N/A N/A	552	18462	14.00	1508.66
Zinc	2920	2945	2889	2943	#N/A N/A	11345	218082	-47.46	133.18
					Total:	70427	1480237		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2520	2537	2671.33	2726.33	#N/A N/A	#N/A N/A	2313.361111	2358.916667
Copper	9247.5	9376	9507.48047	9582.480469	#N/A N/A	#N/A N/A	8931.75	9053.472222
Lead	2095	2115.5	2213.9	2258.9	#N/A N/A	#N/A N/A	1998.111111	2035.527778
Nickel	16835	17065	17947.8008	18602.80078	#N/A N/A	#N/A N/A	16170	16420.27778
Tin	33085	33000			#N/A N/A	#N/A N/A	31350.55556	31405.83333
Zinc	2885	2937	2965.65	2882.15	#N/A N/A	#N/A N/A	2689.444444	2742.111111

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	870950	0	3725	-3725	867225	520600	346625	Comex, USc/lb	
Copper	315575	2450	850	1600	317175	33875	283300	SEP 24	421.85
Lead	180900	5425	1225	4200	185100	21675	163425	DEC 24	428.1
Nickel	116616	0	0	0	116616	8046	108570	Shanghai, CNY/mt	
Tin	4500	10	0	10	4510	100	4410	01-Sep	74850
Zinc	256050	1225	1475	-250	255800	31275	224525	01-Oct	74930

Global Markets		Currencies		Precious Metals			Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18682	0.35	GBP	1.3232	0.3336	Gold	2512.42	-0.2228	2500.3	2511.20
DJI	41174	-0.16	JPY	144.2800	0.1733	Silver	29.89	-0.0348		2943.5
S&P500	5616	-0.02	EUR	1.1159	-0.0179	Gold Comex	2547.7	-0.294		
SSE	2849	-0.24	CNY	7.1248	-0.0393	Platinum	958.7	-0.4496		
Hq Seng	17875	0.43	AUD	0.6778	0.0886	Palladium	971.2	0.8945		
Brent	80	-1.85	CAD	1.3459	0.2080					

Source: Bloomberg
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All price data is from 27.08.2024 as of 17:30

Risk warning

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