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Daily Base Metals Report

US stocks opened lower today following the release of CPI data that aligned with expectations. Headline inflation softened to 2.5% YoY in August, down from 2.9% in July, while core CPI remained steady at 3.2%. Despite a drop in energy prices, monthly inflation rose by 0.2%, driven by a surge in housing costs and services. US home prices have been climbing in recent years due to strong demand from millennials and investors, a shortage of available homes, limited new construction, high mortgage rates, and fewer existing homes entering the market. Markets have adjusted their expectations, now pricing in a 25bps rate cut from the Fed in September, down from earlier bets of a 50bps cut. The dollar index jumped, testing 101.8, while the 10-year Treasury yield edged lower, settling at 3.63%.

Base metals complex opened on the front foot today, given a softer dollar move following from the US Presidential debate between Trump and Harris. Since markets did not have a major reaction post-debate, the sentiment calmed, and the upside waned. Aluminium and copper remained broadly unchanged at \$2,370.50/t and \$9,090.50/t, respectively. Nickel jumped above the \$16,000/t level to \$16,112/t. The rest of the complex followed suit.

Gold fluctuated, hovering around \$2,515/oz, while silver followed the upward trend in base metals, trading at \$28.5/oz. Oil prices remained largely flat, with WTI and Brent crude at \$66.6/bbl and \$69.8/bbl, respectively. Combined net longs for Brent and WTI are at their lowest level on record, reflecting bearish sentiment in the oil market.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2342	2375	2337	2370.5	2342	14888	812424	-13.50	107.46
Copper	9028	9151	9004	9090.5	9019	15554	272311	-125.50	412.48
Lead	1956	2000	1956	1988.5	1955	3845	148238	-37.62	90.20
Nickel	15715	16145	15890	16112	15735	8226	211911	-251.00	730.97
Tin	30555	31275	30480	30944	30720	514	18855	-120.77	1403.66
Zinc	2706	2783	2692	2770	2707	12457	235948	-50.25	125.65
					Total:	53464	1499687		

Official Prices						Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2354.5	2365	2450.71	2534.71	2317.23	2336.5	2358.6875	2377.6875	
Copper	9007.5	9138	9278.73047	9348.730469	8898.81	9026	8947.5625	9072.875	
Lead	1960	1996.5	2047.08	2089.08	1917.38	1955	1966.5	2004.5	
Nickel	15700	15975	16541.49	17221.49	15497.71	15741	15915.625	16138.75	
Tin	31100	31150			30403	30550	30884.375	30876.25	
Zinc	2727	2777	2736.76	2654.26	2663.32	2712	2715.6875	2767.8125	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	831350	0	3500	-3500	827850	477625	350225	Comex, USc/lb	
Copper	316175	500	1725	-1225	314950	27675	287275	SEP 24	404.05
Lead	175275	0	200	-200	175075	13425	161650	DEC 24	409.8
Nickel	122214	696	162	534	122748	9486	113262	Shanghai, CNY/mt	
Tin	4660	35	0	35	4695	265	4430	01-Sep	72820
Zinc	234450	0	1725	-1725	232725	26700	206025	01-Oct	72730

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18342	0.42	GBP	1.3025	-0.4205	Gold	2513.28	-0.1371	2502.35	2506.30
DJI	40210	-1.29	JPY	141.4900	0.6714	Silver	28.50	0.3278		2843.5
S&P500	5433	-1.14	EUR	1.1015	-0.0454	Gold Comex	2542	-0.043		
SSE	2722	-0.82	CNY	7.1189	0.0267	Platinum	957.27	1.4831		
Hg Seng	17109	-0.73	AUD	0.6649	-0.0451	Palladium	1012.4	3.7125		
Brent	70	1.23	CAD	1.3596	0.1030					

Source: Bloomberg
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All price data is from 11.09.2024 as of 17:30

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