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Daily Base Metals Report

US stocks opened lower today, in contrast to European markets, which surged following the ECB's announcement of another 25bps interest rate cut. Meanwhile, the US Producer Price Index (PPI), a key indicator of wholesale price trends, softened to 1.7% YoY in August, down from a downwardly revised 2.1% YoY in July. Recent inflation data suggests that inflationary pressures have been largely contained, raising concerns that the Fed may have waited too long to begin monetary easing. Nevertheless, we still anticipate a 25bps rate cut next week, followed by another in December. The dollar index dipped below 101.6, while the 10-year US Treasury yield edged higher to 3.68%.

Base metals benefitted from the risk-off sentiment elsewhere as the dollar softened. Sharp gains after days of softer performance again confirm the following of the mean-reversion strategy across the complex. Aluminium rapidly jumped above the \$2,400/t resistance level to \$2,415.50/t. Copper also gained but struggled above the \$2,300/t level, prompting it to come back to \$9,215.50/t. Likewise, persistent fundamental oversupply weighed on nickel gains, as the metal closed at \$16,136/t. Lead and zinc rallied.

Precious metals rallied strongly today, with gold hitting record highs, breaking the \$2,550/oz mark, and silver surging to \$29.6/oz. Oil prices also saw a recovery, with WTI trading at \$69.3/bbl and Brent crude at \$72.4/bbl, as they clawed back some of their recent losses.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2378	2428	2375	2415.5	2380	16036	616308	-19.16	109.36
Copper	9147	9295	9130	9215.5	9138	18391	271578	-120.00	418.06
Lead	1995	2036	1988	2027	1990	3898	146969	-35.95	92.17
Nickel	16155	16270	16060	16136	16130	4653	213300	-237.43	729.38
Tin	30885	31490	30885	31406	30950	344	18768	-112.00	1424.29
Zinc	2786	2862	2782	2856	2797	12579	236358	-37.50	129.57
					Total:	55901	1503281		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2390.5	2410	2481.43	2558.43	2351.34	2370.5	2362.222222	2381.277778	
Copper	9115.5	9238.5	9460	9412.76	8964.78	9090.5	8966.222222	9091.277778	
Lead	1998	2031	2085.09	2127.09	1952.55	1988.5	1970	2007.444444	
Nickel	15875	16150	16923.4297	17574.42969	15865.87	16112	15911.11111	16140	
Tin	31400	31350			30823.23	30944	30941.66667	30928.88889	
Zinc	2810	2847	2792.61	2713.11	2729.25	2770	2726.166667	2776.611111	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	827850	0	3500	-3500	824350	474125	350225	Comex, USc/lb	
Copper	314950	625	3925	-3300	311650	23750	287900	SEP 24	408.3
Lead	175075	0	300	-300	174775	13925	160850	DEC 24	414.2
Nickel	122748	384	0	384	123132	9510	113622	Shanghai, CNY/mt	
Tin	4695	35	5	30	4725	265	4460	01-Sep	73570
Zinc	232725	0	300	-300	232425	28000	204425	01-Oct	73420

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	18512	0.99	GBP	1.3078	0.2683	Gold	2553.60	1.6658	2521.9
DJI	40838	-0.06	JPY	142.3300	0.0211	Silver	29.66	3.4209	2882
S&P500	5564	0.17	EUR	1.1036	0.2179	Gold Comex	2582	1.558	
SSE	2717	-0.17	CNY	7.1180	0.0197	Platinum	971.58	1.5553	
Hq Seng	17240	0.77	AUD	0.6697	0.3446	Palladium	1036.23	1.6909	
Brent	72	2.62	CAD	1.3592	-0.1251				

Source: Bloomberg
Updated: 12/09/2024 17:30

All price data is from 12.09.2024 as of 17:30

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