



## Authors

Daria Efanova  
Head of Research

Viktoria Kuszak  
Research Associate

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# Daily Base Metals Report

While the Dow Jones and S&P 500 opened slightly lower, the Nasdaq continued its upward trajectory, reaching record highs. Investors are closely watching tomorrow's US CPI data, which is expected to show a slight uptick in November inflation and will be key in shaping expectations for the Federal Reserve's policy decision next week. Forward swaps are now pricing in nearly a 90% chance of a 25bps rate cut at the Fed's meeting. Meanwhile, the ECB is widely expected to proceed with a 25bps cut tomorrow as part of its ongoing easing cycle. Geopolitical developments have also influenced markets, with the rapid fall of the Al-Assad regime in Syria boosting demand for safe-havens. This has pushed the dollar index above the 106.5 level, while the 10-year US Treasury yield rose, trading at 4.23%.

Today, China stated that it might raise its budget decision to the highest level in three decades and further intensify its cutting cycle. This follows a recent statement from policymakers aimed at boosting stimulus in the new year. While this news is encouraging for the base metals complex in the near term, we do not anticipate it will boost long-term confidence. The construction sector remains under pressure, dampening physical demand for the material. Additionally, the current decline in demand is mitigating the effects of the concentrate shortages that markets are facing right now, further weighing on pricing prospects.

Moreover, changes in fiscal or monetary policy typically take 2-3 quarters to translate into real market impacts. As a result, we do not expect to see a continuous improvement in the region until the second half of 2025. Without clear signs of sustained recovery in the construction sector, it will be challenging for the market to establish a lasting upward trend. The base metal's moves today underscore this narrative as prices held steady. Copper remained slightly above the \$9,200/t mark at \$9,208.50/t. Aluminium continued to fluctuate around the \$2,600/t level. Nickel, on the other hand, dropped back below the \$16,000/t level to \$15,75/t.

Gold saw a significant rise, approaching \$2,690/oz, while silver edged slightly higher but struggled to break the \$32/oz level. Oil prices moved modestly higher, with WTI at \$68.90/bbl and Brent crude at \$72.60/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2591	2615	2570	2608.5	2597	16472	673636	-44.07	118.48
Copper	9222	9245	9164	9216.5	9232	12378	271232	-116.50	418.08
Lead	2071	2071	2058	2064.5	2066	4704	132539	-29.45	93.62
Nickel	16005	16040	15675	15715	15975	5542	223215	-234.65	713.73
Tin	29775	29935	29650	29776	29915	361	20997	-260.00	1351.27
Zinc	3116	3145	3102	3135	3128	6180	240341	-25.19	142.47
					<b>Total:</b>	<b>45637</b>	<b>1561960</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2553	2587	2643.18	2677.18	2544.61	2588	2572.714286	2603.357143	
Copper	9067	9181	9452	9587	9118.98	9232	8991.571429	9106.857143	
Lead	2037	2069	2134.32	2168.32	2038.05	2067.5	2051.785714	2081.285714	
Nickel	15535	15825	16414.7305	17213.73047	15763.38	15996	15692.14286	15940	
Tin	29600	29800			29672	29918	28817.14286	29080.71429	
Zinc	3105.5	3127	3131.11	3017.86	3106.55	3126	3088.357143	3104.357143	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	681600	0	2000	-2000	679600	297475	382125	Comex, USc/lb		
Copper	269800	0	1700	-1700	268100	8625	259475	DEC 24	422.35 2.05	
Lead	271300	0	2750	-2750	268550	39750	228800	MAR 25	427.55 1.88	
Nickel	166422	402	1014	-612	165810	23334	142476	Shanghai, CNY/mt		
Tin	4710	0	25	-25	4685	280	4405	01-Dec	75340 0.71	
Zinc	278125	2450	3525	-1075	277050	103575	173475	01-Jan	75410 0.83	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	20329	-0.08	GBP	1.2754	0.0314	Gold	2690.55	1.1371	2655.85
DJI	44433	0.07	JPY	152.0700	-0.5655	Silver	31.94	0.322	2671.90
S&P500	6051	-0.02	EUR	1.0511	-0.4074	Gold Comex	2715.9	1.121	
SSE	3423	0.59	CNY	7.2513	0.1007	Platinum	943.03	0.1625	
Hq Seng	20311	-0.50	AUD	0.6374	-1.0248	Palladium	968.61	-0.8699	
Brent	73	0.72	CAD	1.4163	0.0565				

Source: Bloomberg  
Updated: 10/12/2024 17:30

All price data is from 10.12.2024 as of 17:30

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