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Daily Base Metals Report

US stocks opened higher today, supported by softer-than-expected producer inflation data. The Producer Price Index (PPI), a key measure of wholesale inflation that tracks the prices producers receive for their goods and services, rose to 3.3% YoY in December, up from 3.0% in November. While this represents a strengthening of inflationary pressures, the increase came in below market expectations of 3.5% YoY, suggesting that price pressures are intensifying at a slower pace than anticipated. In the bond market, the 10-year US Treasury yield continued to hover near the critical 4.8% level but failed to break it. The softer PPI data acted as a counterweight, preventing the yield from surpassing this threshold, which was last breached in October 2023. Any future data or comments from Trump hinting at inflationary risks could provide the push needed to drive yields above 4.8%. The dollar index edged lower today, trading at 109.3, largely due to a recovery in the euro. Heavily oversold in recent days, the euro strengthened, pulling the USD/EUR pair below 0.972 at the time of writing.

The base metals complex marked another day of moderate gains, with prices moving according to their own trends rather than being influenced by macroeconomic or political events. Indeed, in the last couple of weeks, a stronger dollar did little to sway the market; instead, prices continued to behave in a relatively linear fashion in line with their own pricing fundamentals. In particular, copper and nickel have exhibited consecutive days of moderate rallies, approaching key resistance levels of \$9,200/t and \$16,000/t, respectively. A break above these levels could set the scene for much sharper gains. Elsewhere, lead continued to fluctuate around the \$1,950/t level as zinc remained below the \$2,900/t mark. Aluminium held its nerve at \$2,562/t.

Precious metals rebounded slightly after yesterday's losses. Gold climbed above \$2,672/oz, while silver tested the \$30.00/oz level, though it remained just below that threshold. Conversely, oil prices dipped, with WTI trading at \$80.40/bbl and Brent crude at \$77.90/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2575	2602	2553	2560.0	2574	20468	666469	-18.40	117.39
Copper	9115	9167	9104	9154.0	9094	16087	280151	-120.75	415.18
Lead	1953	1970	1938	1966.0	1948	5160	148699	-26.00	89.18
Nickel	15900	15965	15755	15956.0	15895	6584	226954	-222.93	721.90
Tin	29905	30030	29650	29771.0	30000	373	19794	-272.00	1351.27
Zinc	2870	2888	2846	2862.5	2861	11131	216867	-42.87	130.14
					Total:	59803	1558934		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	3M
Aluminium	2554.5	2572.5	2601.98	2614.98	2561.94	2578.5	2515.5	2540.222222
Copper	9016	9134	9438.61	9523.61	8978.84	9094.5	8885	8997.777778
Lead	1914.5	1945	2065.21	2130.21	1934.47	1958.5	1917.166667	1947.777778
Nickel	15600	15835	17339	18099	15675.79	15901	15210.55556	15437.77778
Tin	29550	29775			29610	29866	29402.77778	29584.44444
Zinc	2831	2872	2829.58	2749.58	2822.63	2865.5	2851.055556	2888.833333

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets Last	% Change
Aluminium	619375	0	2500	-2500	616875	367650	249225	Comex, USc/lb	
Copper	263450	0	1550	-1550	261900	8625	253275	MAR 25	0.5
Lead	223175	0	2600	-2600	220575	26075	194500	MAY 25	0.54
Nickel	164904	0	318	-318	164586	11202	153384	Shanghai, CNY/mt	
Tin	4655	15	0	15	4670	175	4495	01-Jan	-0.01
Zinc	210625	0	1150	-1150	209475	57650	151825	01-Feb	-0.01

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	20271	0.69	GBP	1.2187	-0.1229	Gold	2672.04	0.3334	2679.8	2669.50
DJI	42183	-0.27	JPY	157.9600	-0.3039	Silver	29.84	0.7517		2988
S&P500	5820	-0.28	EUR	1.0291	0.4490	Gold Comex	2686	0.276		
SSE	3241	2.54	CNY	7.3311	0.0109	Platinum	940.98	-1.5989		
Hg Seng	19220	1.83	AUD	0.6182	0.0809	Palladium	939.1	-0.6874		
Brent	80	-1.00	CAD	1.4370	0.0626					

Source: Bloomberg
Updated: 14/01/2025 17:30

All price data is from 14.01.2025 as of 17:30

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