



Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Research Associate

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Daily Base Metals Report

Summary

- US Leading Index signals economic softness, while Eurozone sentiment improves slightly.
- The dollar weakened sharply against the yen amid speculation of a potential Bank of Japan rate hike.
- Gold reached another record high, while base metals rallied, led by strong gains in copper and nickel.

US stocks declined at the opening as investors assessed macroeconomic developments. The US Leading Index, a composite measure that tracks key economic indicators such as employment trends, new orders, and financial conditions, declined by 0.3% in January. This continued contraction signals weakening economic momentum and raises concerns about potential headwinds for growth in the coming months. In the Eurozone, preliminary consumer confidence for February improved more than expected, rising to -13.6, suggesting a slight rebound in sentiment despite lingering economic uncertainty. The dollar depreciated against major currencies, including the euro, sterling, and yen. The decline against the yen was particularly sharp, pushing USDJPY below the 150 level after a former Bank of Japan official suggested that the central bank could raise rates as early as May if domestic political instability worsens or if President Trump's tariff policies disrupt global trade. The dollar index dropped to 106.6, while the 10-year US Treasury yield edged lower, hovering around 4.5%.

Base metals saw a strong session today, with all major contracts posting gains. LME copper climbed to \$9,563.50/t, extending its recent rally, though resistance near \$9,600/t could limit further upside. Aluminium continued its upward trend, breaking above \$2,727.50/t, supported by tightening supply conditions. Nickel surged to \$15,660/t, marking one of the day's biggest moves, as buying interest returned to the market. Tin also posted strong gains, rising 2.3% to \$33,450/t, maintaining its recent bullish momentum. Zinc edged higher to \$2,911/t, while lead saw a modest increase, holding just above \$2,001/t.

A weaker dollar supported gold, pushing it to another record high, trading above \$2,944/oz. Silver followed, rising above \$33/oz. Oil extended its rally, with WTI and Brent climbing to \$72.8/bbl and \$76.7/bbl, respectively, as supply concerns continued to underpin prices.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	US\$/lb
Aluminium	2687	2729	2687	2727.5	2681	21899	710831	10.01	123.74
Copper	9460	9575	9450	9563.5	9442	17562	287279	-28.49	433.41
Lead	1994	2011	1990	1992.5	1993	5250	149652	-41.00	90.38
Nickel	15420	15725	15415	15665.0	15415	6345	218674	-211.52	710.56
Tin	32845	33475	32750	33396.0	32785	741	21505	-111.00	1516.60
Zinc	2876	2922	2873	2918.5	2875	8205	227230	-36.65	132.25
					Total:	60002	1615171		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2720	2715	2714.28	2714.28	2701.12	2687	2647.178571	2635.678571	
Copper	9514.5	9545	9527.94	9557.94	9425.91	9466.5	9275.357143	9361.571429	
Lead	1970.5	2004.5	2104.02	2144.52	1959.82	1997	1948.464286	1985.928571	
Nickel	15405	15615	16909.69	17659.69	15183.68	15404	15225.35714	15440.35714	
Tin	33055	33160			32583.01	32699	31507.85714	31615.71429	
Zinc	2880	2916	2903.51	2864.51	2839.35	2876	2796.678571	2842.535714	

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	547950	0	4050	-4050	543900	318350	225550	Comex, US\$/lb		
Copper	270900	100	2250	-2150	268750	10325	258425	MAR 25	456.25	-0.62
Lead	219825	800	1525	-725	219100	37050	182050	MAY 25	461.4	-0.61
Nickel	190452	1746	18	1728	192180	10308	181872	Shanghai, CNY/mt		
Tin	3965	15	180	-165	3800	220	3580	01-Feb	0	0.00
Zinc	155550	3175	2450	725	156275	21925	134350	01-Mar	77380	0.49

Global Markets

Global Markets		Currencies		Precious Metals			Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	22315	-0.53	GBP	1.2643	0.4529	Gold	2943.29	0.3375	2944.4	2936.85
DJI	43975	-1.46	JPY	149.6300	1.2297	Silver	33.00	0.9175		3291
S&P500	6091	-0.86	EUR	1.0476	0.5085	Gold Comex	2959	0.780		
SSE	3351	-0.02	CNY	7.2444	0.4748	Platinum	979.73	0.4079		
Hg Seng	22577	-1.60	AUD	0.6394	0.7881	Palladium	983.97	1.2221		
Brent	77	0.96	CAD	1.4194	0.2818					

Source: Bloomberg
Updated: 20/02/2025 17:30

All price data is from 20.02.2025 as of 17:30

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