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Daily Base Metals Report

US stocks opened lower today after economic data revealed a decline in consumer optimism about the current and future state of the economy. The Conference Board's Consumer Confidence Index fell unexpectedly to 97 in April, down from 104.4 the previous month. This decline continues from the post-pandemic high of 135, bringing the index back to its historical average. Despite this, investors are still adjusting their expectations for the timing of the Federal Reserve's first interest rate cut, now anticipated in November. The dollar strengthened, hovering just below 106, while the 10-year US Treasury yield remained relatively stable at 4.65%. Elsewhere, the eurozone economy rebounded in the first quarter of 2024, supported by Germany's return to growth and a robust expansion in Spain. The eurozone's GDP grew more than expected at 0.3% QoQ, up from 0.0% in the final quarter of 2023. At the same time, the eurozone's headline CPI remained steady at 2.4% YoY, while the core CPI decreased from 2.9% YoY to 2.7% YoY. Market expectations are now pricing in almost a 90% chance of a 25bps rate cut by the ECB in June.

In China, the decline in home sales continued through April, though the pace of this downturn appears to be slowing, suggesting a potential stabilisation in the housing decline. April saw a 45% YoY drop in the value of new home sales, a slight improvement from the 46% decline recorded in March. Despite increased support from Chinese authorities at the end of last year aimed at bolstering the housing market, a lack of consumer confidence continues to weigh on the sector. However, policymakers remain committed to supporting the market, with a recent Politburo meeting announcing plans to explore further measures to address the country's excess housing inventory, indicating ongoing concern and attention to the housing market's challenges.

In the meantime, the risk-off sentiment strengthened today, reversing the gains that the base metals complex made yesterday. In particular, copper tested the \$10,000/t level, fluctuating around it in the second half of the day, closing at \$9,991/t. Aluminium remained broadly unchanged at \$2,591.50/t. Zinc weakened back to \$2,926/t, largely due to Nyrstar announcing the restart of its Budel smelter next month. While this news prompted a move lower today, we do not expect this to immediately alleviate the tightness of the existing concentrate supply.

Precious metals saw a downturn today, falling to levels not seen since the beginning of the month. Gold traded below the \$2,300 mark, while silver dropped to \$26.4/oz. Oil prices also declined, with WTI and Brent trading at \$81.6/bl and \$87.7/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2587	2594	2557	2591.5	2588	18506	694575	-17.74	117.57
Copper	10153	10208	9952	9991	10162	24752	338120	-97.50	453.82
Lead	2221	2233	2195	2217	2228	6102	141449	-34.98	100.36
Nickel	19255	19355	19025	19238	19205	4000	202612	-180.00	873.40
Tin	32715	32900	30695	31216	32625	522	20384	45.30	1425.88
Zinc	2945	2974	2830	2926	2947	13538	244744	-9.83	132.18
					Total:	67420	1641884		

Official Prices						Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2545	2576.5	2684	2705	2556.96	2590	2497.880952	2526.404762	
Copper	9973.5	10071	10197	10129.5	10063.9	10135.5	9482.428571	9596.071429	
Lead	2184	2220.5	2290.76	2302.76	2195.52	2230.5	2129.666667	2163.142857	
Nickel	18975	19165	20200.1406	20880.14063	18975.04	19148	18173.80952	18375.47619	
Tin	32300	32150			32651.01	32566	31844.7619	31710.2381	
Zinc	2924.5	2931.5	2944.51	2929.51	2933.67	2943.5	2730.52381	2755.190476	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	492750	0	2000	-2000	490750	358875	131875	Comex, USc/lb	
Copper	117500	0	1375	-1375	116125	23625	92500	MAY 24	465.9
Lead	270375	7225	5200	2025	272400	109325	163075	JUL 24	467.65
Nickel	78594	0	0	0	78594	4092	74502	Shanghai, CNY/mt	
Tin	4770	60	25	35	4805	570	4235	01-May	81650
Zinc	255400	0	50	-50	255350	31075	224275	01-Jun	81770

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	17923	-1.08	GBP	1.2523	-0.3184	Gold	2298.73	-1.5811	2337.6	2333.55
DJI	38072	-0.82	JPY	157.4500	-0.6986	Silver	26.42	-2.6622		2738
S&P500	5080	-0.70	EUR	1.0690	-0.2892	Gold Comex	2309.6	-2.040		
SSE	3105	-0.26	CNY	7.2411	-0.1671	Platinum	934.09	-1.8741		
Hg Seng	17763	0.09	AUD	0.6493	-1.1268	Palladium	944.47	-3.4037		
Brent	88	-0.62	CAD	1.3747	-0.6256					

Source: Bloomberg
Updated: 30/04/2024 17:30

All price data is from 30.04.2024 as of 17:30

Risk warning

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