



Authors

Daria Efanova
Head of Research

WED 29 MAY 2024 00:10

Daily Base Metals Report

US stocks fluctuated today. The Consumer Confidence Index, as reported by the Conference Board, experienced a slight uptick, increasing to 102 in May from 97 previously, exceeding analysts' expectations. Higher consumer confidence can signal potential increases in consumer spending, which often drives demand for goods and services and can contribute to inflationary pressures. The markets are pricing in the first Fed interest rate cut in November, but we think the volatile election period could lead the policymakers to wait until December. The dollar index edged slightly lower, hovering just below the 104.5 level, while the 10-year US Treasury yield edged higher, standing at 4.48%.

Following last week's volatile moves, UK markets started the week on a quieter note. In particular, copper, which swung between \$10,200/t and \$11,000/t, now fluctuates around the \$10,500/t level. It appears that short positions have been covered, and we anticipate a continuation of the upside price trajectory from a more neutral standpoint. Still, market fundamentals add to the moderately bullish narrative in the medium term, although the near term will likely remain more volatile. Aluminium continued to strengthen following Rio Tinto's force majeure announcement on alumina cargoes, placing additional pressure on the supply side; the metal is now back above \$2,700/t at \$2,729.50/t. The rest of the complex followed suit, with lead and zinc edging higher to \$2,343.50/t and \$3,100/t, respectively.

Gold remained broadly unchanged at \$2,355/oz, while silver continued yesterday's upward momentum, testing the \$32/oz level. Oil climbed today, with WTI and Brent crude at \$79.5/bl and \$83.8/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2667	2735	2667	2729.5		19917	648451	-46.00	123.97
Copper	10469	10564	10418	10501.5		16857	346372	-123.00	477.00
Lead	2307	2351	2305	2343.5		5760	149000	-55.00	106.26
Nickel	20400	20575	20290	20467		4013	202558	-249.28	931.23
Tin	33715	34290	33715	33928		575	18727	-203.82	1542.91
Zinc	3072	3133	3072	3100		6800	236962	-60.00	140.84
Total:						53922	1602070		

Official Prices						Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2653	2704	2775.18	2765.18			2546.194444	2592.555556
Copper	10331	10459.5	10566	10303			10134.16667	10246.63889
Lead	2283	2341.5	2356.5	2372.5			2217.555556	2265.277778
Nickel	20065	20350	21510.6	22210.6			19448.05556	19693.88889
Tin	33950	34125					33100.83333	33081.11111
Zinc	3055	3106	3035.75	2800.75			2946.111111	2984.305556

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1124700	0	3200	-3200	1121500	469100	652400	Comex, USc/lb		
Copper	112675	2700	625	2075	114750	12925	101825	MAY 24	486.5	1.81
Lead	198750	0	3525	-3525	195225	44325	150900	JUL 24	485.4	2.11
Nickel	83988	0	258	-258	83730	4800	78930	Shanghai, CNY/mt		
Tin	4945	25	0	25	4970	115	4855	01-Jun	84520	1.20
Zinc	257225	0	25	-25	257200	33625	223575	01-Jul	84750	1.11

Global Markets		Currencies			Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	Last	% Change	AM	PM	
DAX	18683	-0.49	GBP	1.2782	0.1018	Gold	2360.70	0.4139	2339.75	2342.70
DJI	38932	-0.35	JPY	156.9400	-0.0382	Silver	32.06	1.3689		3059
S&P500	5308	0.06	EUR	1.0878	0.1750	Gold Comex	2384.3	1.163		
SSE	3110	-0.46	CNY	7.2452	-0.0097	Platinum	1064.41	0.6934		
Hq Seng	18821	-0.03	AUD	0.6662	0.1202	Palladium	981.98	-1.1844		
Brent	84	1.11	CAD	1.3635	-0.0147					

Source: Bloomberg
Updated: 28/05/2024 17:30

All price data is from 28.05.2024 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sudden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.suddenfinancial.com/en/risk-warning-and-disclaimers).