

Authors

Daria Efanova
Head of Research

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Daily Base Metals Report

US stocks opened higher today. Macroeconomic data revealed that the US trade deficit widened in April due to a rise in imports. The trade balance decreased by nearly \$6 billion, marking the largest one-month decline in a year and resulting in a deficit of \$74.6 billion. A closer examination shows that consumer goods imports, excluding medical, dental and pharmaceutical products, fell by 5%, underscoring that households are shifting away from discretionary spending amid the challenging interest rate environment and sticky inflation. We expect the Fed to start monetary easing in September. Elsewhere, the ECB cut interest rates for the first time since 2019, bringing the key rate from 4% to 3.75%. The move was widely anticipated, having little impact on the euro. The European currency appreciated slightly against the sterling and remained broadly unchanged against the US dollar.

Downward pressure stalled today for the base metals complex, following days of strong weakness. Copper bounced back above the \$10,000/t level, and the rest of the complex followed suit. In particular, zinc and nickel, which have been subject to stronger selling pressures, saw the momentum pause today to trade at \$2,925/t and \$18,531/t at the time of writing. Aluminium held firmly above the \$2,600/t support level to edge higher to \$2,647.50/t.

Precious metals rose today, with gold trading at \$2,368/oz and silver at \$30.76/oz. Oil prices also moved higher, with WTI and Brent crude at \$74.8/bbl and \$79.1/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2663	2663	2615	2647.5	2662	19181	670547	-51.94	119.11
Copper	9955	9982	9860	10149	9928	20455	341783	-121.00	451.71
Lead	2244	2255	2211	2241.5	2243	7926	151590	-62.60	101.52
Nickel	18910	19075	18240	18531	18860	10105	203313	-255.98	838.25
Tin	32015	32020	31280	32198	31830	726	19406	-317.00	1433.37
Zinc	2935	2937	2854	2910	2925	13890	242120	-61.08	130.59
Total:						72283	1628759		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	3M
Aluminium	2577	2624	2737.37	2762	2618.42	2663.5	2601.666667	2645.666667
Copper	9769	9890	10076.67	10020.66016	9820.12	9945	9871	9995.333333
Lead	2176	2228	2310.76	2326.76	2180.4	2243	2201.666667	2257.666667
Nickel	18340	18590	19307.06	19961.06	18820.55	19068	18855	19128.333333
Tin	31375	31700			31645.49	31932	31991.66667	32225
Zinc	2823	2880.5	2873.08	2696.08	2876.42	2935	2873.666667	2926.333333

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C- warrants	Open Tonnage	Other Copper Markets Last	% Change
Aluminium	1109900	1400	0	1400	1111300	525925	585375	Comex, USc/lb	
Copper	118950	1450	400	1050	120000	5625	114375	JUL 24	-3.06
Lead	181950	0	1500	-1500	180450	35300	145150	SEP 24	-2.61
Nickel	83514	1212	6	1206	84720	4458	80262	Shanghai, CNY/mt	
Tin	5000	0	0	0	5000	465	4535	01-Jun	-1.68
Zinc	254600	4925	1875	3050	257650	24800	232850	01-Jul	-1.91

Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18576	0.93	GBP	1.2766	Gold	2353.65	1.1448	2330.5	2326.00
DJI	38743	0.08	JPY	156.2000	Silver	29.90	1.3543		2970.5
S&P500	5328	0.69	EUR	1.0858	Gold Comex	2373.6	1.116		
SSE	3065	-0.83	CNY	7.2477	Platinum	997.13	0.4311		
Hg Seng	18425	-0.10	AUD	0.6639	Palladium	933.13	1.7867		
Brent	78	0.45	CAD	1.3714					

Source: Bloomberg
Updated: 05/06/2024 17:30

All price data is from 06.06.2024 as of 17:30

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