



Authors

Daria Efanova
Head of Research

FRI 14 JUNE 2024 00:10

Daily Base Metals Report

US stocks have remained at elevated levels in anticipation of the FOMC decision, with investors keenly focused on the policymakers' remarks about the future direction of monetary policy. While the case for a September cut is now pencilled in, markets are uncertain about further cuts later in the year. As previously outlined in our reports, we do not foresee a shift in interest rates in November, largely due to the unpredictability associated with the US election period. Still, we believe that two cuts this year, with a pause in November, will give the Fed some breathing room to assess the impact of the first reduction while the assumption that the economy remains robust. Elsewhere, US PPI unexpectedly declined in May by the most in seven months, marking another signal that pricing pressures are easing enough for the central bank to begin the cutting cycle later this year.

Another day of marginal moves was seen across the base metals complex, with waning downside appetite, indicating a more stable support at current levels. Aluminium remained supported above the \$2,500/t level, remaining firmly at \$2,557/t. Copper was also struggling below \$9,700/t, closing at \$9,794.50/t at the time of writing. Nickel remained below \$18,000/t as lead closed at \$2,166/t.

Oil weakened today, as markets brace for US stockpiles and the FOMC meeting, prompting WTI and Brent to correct to \$78/bl and \$82/bl. Gold and silver were also slightly softer after the resistance levels at \$2,340/oz and \$30/oz held firm.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2566	2591	2529	2557	2569	20147	652440	-56.00	115.46
Copper	9902	9920	9740	9794.5	9946	18552	330141	-130.78	444.03
Lead	2174	2188	2160	2166	2175	5281	146138	-54.84	98.14
Nickel	17940	18020	17600	17645	17995	6199	195676	-248.58	800.60
Tin	33345	33400	32550	32794	33350	526	19447	-256.00	1484.62
Zinc	2870	2893	2830	2860	2880	9294	227652	-55.67	129.34
Total:						59999	1571494		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2498	2557.5	2681.3	2711.3	2518.23	2575.5	2548.333333	2600.722222	
Copper	9733	9860	9921	9871	9820.99	9944.5	9786.111111	9911.555556	
Lead	2111	2170	2232.66	2248.66	2119.44	2173	2160.166667	2215.666667	
Nickel	17550	17780	18710.0508	19410.05078	17808.68	18061	18133.88889	18388.88889	
Tin	33150	33400			33080	33365	32147.77778	32393.88889	
Zinc	2809	2862	2886.12	2757.12	2841.06	2894	2817.5	2872.611111	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1092550	0	7000	-7000	1085550	574225	511325	Comex, USc/lb	
Copper	127425	4975	325	4650	132075	4975	127100	JUL 24	456.7
Lead	190250	3975	1025	2950	193200	28375	164825	SEP 24	455.95
Nickel	85728	936	0	936	86664	4308	82356	Shanghai, CNY/mt	
Tin	4665	0	0	0	4665	170	4495	01-Jun	79400
Zinc	257900	0	2000	-2000	255900	28575	227325	01-Jul	80030

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	18266	-1.96	GBP	1.2750	-0.3751	Gold	2297.37	-1.1875	2314.9	2326.25
DJI	38434	-0.72	JPY	156.8300	-0.0701	Silver	28.81	-3.0764		2938
S&P500	5413	-0.15	EUR	1.0747	-0.5736	Gold Comex	2312.7	-1.788		
SSE	3029	-0.28	CNY	7.2521	-0.1600	Platinum	951.17	-1.1062		
Hg Seng	18113	0.97	AUD	0.6629	-0.5252	Palladium	884.63	-2.461		
Brent	82	-0.17	CAD	1.3758	-0.2544					

Source: Bloomberg
Updated: 13/06/2024 17:30

All price data is from 13.06.2024 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. Sucden 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.sucdenfinancial.com/en/risk-warning-and-disclaimers).