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Daily Base Metals Report

US stocks opened higher today following macroeconomic data that indicated a slowdown in consumer spending last month. In June, U.S. prices saw a moderate increase as a decline in the cost of goods offset a rise in the cost of services. The personal consumption expenditures (PCE) price index inched up by 0.1% after remaining unchanged in May. Goods prices fell by 0.2% following a 0.4% decrease in May. These signs of easing price pressures and cooling demand could bolster the confidence of Fed officials that inflation is moving towards the central bank's 2% target. The 10-year yield decreased to 4.20%, while the dollar remained mostly unchanged at 104.3.

Base metals trading finished the week on a quiet note, with marginal moves across the complex. Copper edged higher, trading at \$9,116/t. Investors have unwound their positions in recent weeks, and the middle of the summer months means volumes and volatility are low. We believe that the market has room for an upside, but the timing is now extended, given a defensive market. We expect metals to remain within range in the near term. Other metals followed copper's trend. Aluminium and lead edged higher, trading at \$2,286.5/t and \$2,066/t, respectively. Tin also increased, standing at \$29,550/t.

Gold rose to \$2,385/oz, while silver traded flat at \$27.8/oz. Oil prices decreased, with WTI and Brent crude at \$76.6 and \$80.6, respectively.

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