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Daily Base Metals Report

US stocks opened higher today as markets awaited Federal Reserve Chair Jerome Powell's comments, expected later in the day, for insights into the potential path of monetary easing. Economic data released this afternoon showed ADP private-sector employment increasing by 146k in November, a smaller gain than anticipated and down from the downwardly revised 184k in October. The ADP report, which tracks private-sector hiring trends, often provides an early glimpse into labour market conditions ahead of the government's official jobs report. Shortly after this release, the final S&P Global US Services PMI surprised to the downside, dropping from 57.0 to 56.1. This weaker-than-expected data drove the dollar index lower, falling from 106.7 to 106.2, while the 10-year US Treasury yield declined from 4.28% to 4.20%, reflecting increased investor expectations in the likelihood of another 25bps rate cut at the Fed's meeting next week. In contrast, UK and Eurozone services PMIs exceeded expectations, with the UK reading at 50.8 and the Eurozone at 49.5. The UK composite PMI edged above the 50.0 threshold, signalling a return to expansion territory, while the Eurozone's figures, though still in contraction, indicated a slight improvement in economic momentum.

Another day of marginal moves was seen across the base metals space today as a resilient dollar weighed on prices. Copper struggled to break above yesterday's highs, closing at \$9,121/t. Lead continued to experience short covering, as it is edging to the \$2,100/t resistance level. Likewise, zinc struggled above the \$3,100/t resistance level once again, remaining slightly below it at \$3,099/t. Aluminium strengthened back to \$2,646.50/t.

Precious metals rose today as markets digested softer-than-expected US data, fuelling expectations of a potential interest rate cut at the Fed's upcoming meeting. Gold climbed to \$2,654/oz, while silver advanced to \$31.40/oz. Oil prices, meanwhile, traded flat, with WTI at \$69.50/bbl and Brent crude at \$73.20/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2607	2649	2603	2646.5	2607	15839	691882	-27.36	120.04
Copper	9086	9126	9041	9083	9121	16094	268972	-114.24	411.50
Lead	2078	2088	2063	2086.5	2084	5672	134568	-26.50	94.53
Nickel	16040	16205	15995	16107	16095	4567	229872	-225.67	729.38
Tin	28720	29080	28720	29034	28795	489	20565	-224.00	1318.38
Zinc	3095	3112	3070	3099	3099	9479	242834	-15.50	139.87
					Total:	52140	1588693		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2583	2615	2682.13	2700.13	2584.6	2609.5	2574.833333	2601.166667	
Copper	8951	9068	9342.03	9472.03	9010.21	9111.5	8921	9039.333333	
Lead	2054	2082	2154.5	2188.5	2052.99	2079.5	2041.666667	2072	
Nickel	15760	16025	16820.56	17590.56	15791.32	16015	15675	15930	
Tin	28525	28850			28596	28824	28418.33333	28718.33333	
Zinc	3077	3093	3079.9	2947.65	3086.9	3095.5	3080.5	3088.666667	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	690700	1725	2700	-975	689725	307600	382125	Comex, USc/lb		
Copper	268625	0	125	-125	268500	11050	257450	DEC 24	414.6 1.73	
Lead	271525	0	0	0	271525	35200	236325	MAR 25	420.2 1.73	
Nickel	164430	432	210	222	164652	17880	146772	Shanghai, CNY/mt		
Tin	4790	10	60	-50	4740	205	4535	01-Dec	74690 0.84	
Zinc	278000	575	475	100	278100	106600	171500	01-Jan	74770 0.96	

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	20232	1.08	GBP	1.2710	0.2920	Gold	2648.85	2645.35	2640.65
DJI	44934	0.51	JPY	150.2300	-0.4194	Silver	31.27	0.7475	3090.5
S&P500	6072	0.36	EUR	1.0527	0.1713	Gold Comex	2673.1	0.195	
SSE	3365	-0.42	CNY	7.2660	0.2794	Platinum	946.15	-0.7334	
Hq Seng	19742	-0.02	AUD	0.6433	-0.8171	Palladium	983.34	0.9672	
Brent	73	-0.65	CAD	1.4071	-0.0142				

Source: Bloomberg
Updated: 04/12/2024 17:30

All price data is from 04.12.2024 as of 17:30

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