



Authors

Viktoria Kuszak
Research Associate

WED 26 FEBRUARY 2025 00:10

Daily Base Metals Report

Consumer confidence plunges, markets cautious

Summary

- US stocks decline on sharp consumer confidence drop.
- Dollar and bond yields weaken amid economic uncertainty.
- Commodities broadly retreat on cautious market sentiment.

US stocks opened lower today after the latest Conference Board Consumer Confidence report, a widely-followed indicator reflecting consumers' optimism regarding economic conditions, fell more sharply than anticipated. The index dropped significantly to 98.3 in February from an upwardly revised 105.3 in January, marking its largest monthly decline since August 2021. This suggests increasing concerns among US consumers about the economic outlook, likely driven by uncertainty surrounding the potential consequences of Trump's recent tariff announcements. The dollar weakened broadly against other major currencies, including the euro, sterling, and yen, pushing the dollar index below the 106.4 level. At the same time, the 10-year US Treasury yield declined sharply to 4.3%, its lowest since mid-December, indicating that markets are increasingly cautious about growth prospects and potential impacts from retaliatory trade measures against US tariffs.

Base metals extended their declines today amid limited trading activity and cautious market sentiment. Copper retreated further to \$9,435/t, moving away from recent highs as weakening COMEX arbitrage continued to weigh on the metal. Aluminium slipped slightly to \$2,645/t, remaining range-bound after its recent drop. Nickel also lost ground, falling to \$15,340/t as momentum remained subdued. Tin saw a big decline, dropping nearly 1.8% to \$32,650/t, continuing to reverse recent bullish gains. Lead was an exception, holding steady with minor gains, trading just below \$2,000/t. Overall, the base metals complex remains cautious, awaiting fresh catalysts.

Gold prices also retreated, dropping back below the \$2,900/oz mark as investors locked in recent gains. Silver followed suit, experiencing a significant pullback to trade at \$31.4/oz. Oil prices weakened, with WTI falling to \$68.9/bbl and Brent crude declining to \$72.9/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2650	2669	2627	2638.5	2653	21556	726626	15.59	119.68
Copper	9477	9528	9392	9401.5	9502	22668	293590	-32.50	426.61
Lead	1986	2000	1978	1992.5	1985	5346	147878	-32.66	90.49
Nickel	15370	15435	15285	15336.0	15375	6346	220109	-212.37	696.95
Tin	33180	33260	32650	32775.0	33070	630	21476	-6.00	1481.90
Zinc	2846	2848	2807	2811.5	2845	12313	233242	-39.66	127.44
					Total:	68859	1642921		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2669	2642.5	2652.17	2661.17	2668.44	2655.5	2653.205882	2641.117647	
Copper	9463	9470	9550.5	9593.5	9489.49	9494.5	9311.882353	9386.705882	
Lead	1955	1983.5	2096.69	2137.19	1955.34	1988	1950.588235	1987.382353	
Nickel	15150	15330	16593.26953	17323.26953	15235.4	15445	15231.76471	15446.17647	
Tin	33125	33150			33208	33244	31846.17647	31937.05882	
Zinc	2778.5	2819	2846.27	2807.27	2811.1	2850.5	2801.823529	2845.911765	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Ton-nage	Last	% Change	
Aluminium	535900	0	4875	-4875	531025	326625	204400	Comex, USc/lb		
Copper	267225	700	1225	-525	266700	95725	170975	MAR 25	451.5 -0.99	
Lead	220550	200	1050	-850	219700	35675	184025	MAY 25	456.35 -1.13	
Nickel	192828	0	186	-186	192642	10254	182388	Shanghai, CNY/mi		
Tin	3640	0	30	-30	3610	90	3520	01-Feb	0 0.00	
Zinc	161000	4475	700	3775	164775	18400	146375	01-Mar	77070 -0.23	

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	22410	-0.07	GBP	1.2650	0.1980	Gold	2895.04	-1.9206	2940.6	2931.90
DJI	43462	0.00	JPY	149.1100	0.4091	Silver	31.48	-2.6873		3251
S&P500	5926	-0.96	EUR	1.0496	0.2675	Gold Comex	2906.9	-1.900		
SSE	3346	-0.80	CNY	7.2503	-0.0552	Platinum	965.33	-0.4773		
Hg Seng	23034	-1.32	AUD	0.6332	-0.2835	Palladium	934.38	-0.9614		
Brent	73	-2.47	CAD	1.4303	-0.3006					

Source: Bloomberg
Updated: 25/02/2025 17:30

All price data is from 25.02.2025 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).