

Authors

Daria Efanova
Head of Research

SAT 06 APRIL 2024 00:10

Daily Base Metals Report

US stocks continued on the upside today. Labour market data published by the Bureau of Labor Statistics showed a higher-than-expected increase in non-farm payrolls in March, reaching 303,000 jobs compared to expected 214,00. At the same time, the unemployment rate ticked lower to 3.8% YoY, pushing forward investor's expectations of the start of monetary easing. Following the data release, the futures market adjusted its outlook, with forward swaps now indicating only a 60% likelihood of a 20-basis point rate cut by the Federal Reserve in mid-year. The 10-year US Treasury yield initially surged following the announcement but eventually stabilized at 4.35%, while the dollar index slightly rose to 104.4.

Upbeat macro momentum supported base metals' price action today, however, given the rally that took place in recent days, the appetite was not enough for prices to breach robust resistance levels. In particular, aluminium and copper struggled above \$2,500/t and \$9,400/t, prompting prices to close below these levels at \$2,450.50/t and \$9,329.50/t, respectively. Likewise, lead erased most of yesterday's gains, falling back to \$2,123.50/t. Zinc prices remained elevated at \$2,638.50/t.

Gold reached a new milestone, surpassing the \$2,300 mark to hit \$2,325.5/oz, while silver also saw gains, nearing \$27.4/oz. Meanwhile, oil prices, which saw a significant rise at the end of the last day, remained stable today. WTI and Brent crude were steady, trading at \$86.8/bl and \$91/bl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2435	2456	2419	2450/5	2445	27091	669256	-40.00	111.11
Copper	9324	9349	9209	9329.5	9379	16257	318090	-121.00	422.84
Lead	2132	2148	2104	2123.5	2138	7943	150911	-29.00	95.87
Nickel	17550	17830	17455	17804	17645	4285	203920	-165.00	805.59
Tin	28575	29045	28490	28795	28650	672	19270	-24.00	1303.64
Zinc	2624	2649	2600	2638.5	2636	15881	251709	-43.68	119.48
					Total:	72129	1613156		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2391	2433	2628.96	2711.96	2405.27	2444.5	2360.5	2404
Copper	9198	9320	9554	9544	9242.06	9359	9076.75	9190.25
Lead	2091	2118	2211.5	2237.5	2112.16	2139	2049.875	2079.875
Nickel	17475	17715	19000	19642	17543.44	17711	17143.75	17330
Tin	28705	28900			28624.6	28643	28256.25	28300
Zinc	2587.5	2629	2708.64	2723.64	2601.82	2645.5	2501.5	2551.625

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	536850	0	1375	-1375	535475	209275	326200	Comex, USc/lb		
Copper	112525	3725	725	3000	115525	14225	101300	MAY 24	407.05 0.54	
Lead	274525	0	1500	-1500	273025	9225	263800	JUL 24	410.1 0.53	
Nickel	77748	0	144	-144	77604	9318	68286	Shanghai, CNY/mt		
Tin	4415	0	50	-50	4365	530	3835	01-Apr	73520 0.82	
Zinc	261975	0	1775	-1775	260200	34400	225800	01-May	73620 0.71	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	18165	-1.30	GBP	1.2622	-0.1582	Gold	2323.44	1.4186	2292.5 2293.50
DJI	38868	0.70	JPY	151.5900	-0.1649	Silver	27.35	1.6252	2700
S&P500	5189	0.81	EUR	1.0831	-0.0554	Gold Comex	2342.6	1.477	
SSE	3069	-0.18	CNY	7.2332	-0.0083	Platinum	927.93	-0.7328	
Hg Seng	16724	-0.01	AUD	0.6576	-0.1821	Palladium	1000.86	-2.1403	
Brent	91	0.72	CAD	1.3591	-0.3532				

Source: Bloomberg
Updated: 05/04/2024 17:30

All price data is from 05.04.2024 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).