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Daily Base Metals Report

US stocks opened lower today as the market's attention is firmly on the upcoming US CPI data set to be released tomorrow, which will provide crucial insights into the Fed's timeline for initiating interest rate cuts. The 10-year US Treasury yield saw a slight decline, dropping to 4.37%, while the dollar index showed little change, maintaining its position at 104.1. Elsewhere, UK retail sales for March exceeded expectations, rising to 3.2% YoY from February's 1.1%, buoyed by increased food expenditures during the Easter period. Although there wasn't a significant uptick in the consumption of other goods, this data contributes to a more optimistic economic forecast as spending is anticipated to rise with the warmer months.

Base metals advanced today, reaching new multi-month highs. However, trading for aluminium and copper became cautious near the \$2,470/t and \$9,500/t thresholds, leading to a slight pullback in prices to \$2,460/t and \$9,417.50/t, respectively. Despite this, our near-term outlook remains cautiously optimistic, supported by signs of improving macroeconomic and fundamental conditions. We anticipate that any dips will be met with buying interest, nudging prices gradually upwards. Meanwhile, lead and zinc have continued to strengthen, prompting prices to reach \$2,161/t and \$2,709.50/t, respectively. Tin rallied for the second straight day, jumping above the \$30,000/t level, given a combination of supportive momentum and continued tightness on the LME closing stocks. As a result, tin cash to 3-month spread has flipped into backwardation.

The anticipated central bank interest rate cuts and the uncertainties surrounding the US election results create tailwinds for traditional assets. Gold reached a new peak today, soaring to \$2,349/oz, while silver experienced a minor decrease, adjusting to \$27.9/oz. Oil prices remained stable for the day, with WTI and Brent crude trading at \$85.6/bl and \$90/bl, respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads | Conversion |
|-----------|-------|-------|-------|-----------|---------------|---------------|----------------|---------|------------|
| | | | | | | | | C-3M | USc/lb |
| Aluminium | 2460 | 2470 | 2437 | 2460 | 2460 | 28267 | 672299 | -50.90 | 111.36 |
| Copper | 9458 | 9523 | 9366 | 9417.5 | 9444 | 33370 | 323201 | -134.00 | 426.47 |
| Lead | 2138 | 2165 | 2123 | 2161 | 2136 | 8321 | 145636 | -31.09 | 97.98 |
| Nickel | 17800 | 18295 | 17620 | 18219 | 17765 | 8258 | 199695 | -175.73 | 826.91 |
| Tin | 29800 | 31350 | 29500 | 31159 | 29790 | 1490 | 19559 | 26.00 | 1410.91 |
| Zinc | 2674 | 2728 | 2637 | 2709.5 | 2668 | 21162 | 250235 | -37.94 | 122.77 |
| | | | | | Total: | 100868 | 1610625 | | |

| Official Prices | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Monthly Avg | Cash | 3M |
|-----------------|--------|--------|----------|----------|----------|--------|-------------|-------------|----|
| Aluminium | 2403 | 2454.5 | 2643.36 | 2728.36 | 2415.13 | 2460.5 | 2377 | 2422.083333 | |
| Copper | 9295.5 | 9435 | 9597.5 | 9587.5 | 9281.51 | 9411.5 | 9150.583333 | 9269.166667 | |
| Lead | 2119.5 | 2157 | 2219.5 | 2247.5 | 2112.91 | 2144 | 2071.666667 | 2102.166667 | |
| Nickel | 17780 | 18000 | 19433.58 | 20133.58 | 17674.38 | 17848 | 17342.5 | 17532.5 | |
| Tin | 30585 | 30560 | | | 29849.82 | 29848 | 28834.16667 | 28860 | |
| Zinc | 2660 | 2700 | 2774.45 | 2789.45 | 2625.9 | 2664 | 2548.833333 | 2595 | |

| LME Stocks (tonnes) | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Other Copper Markets | Last | % Change |
|---------------------|---------|-------|------|------------|---------|------------|--------------|----------------------|--------|----------|
| Aluminium | 533150 | 0 | 3525 | -3525 | 529625 | 204675 | 324950 | Comex, USc/lb | | |
| Copper | 114275 | 10900 | 950 | 9950 | 124225 | 12400 | 111825 | MAY 24 | 427.6 | 0.94 |
| Lead | 272600 | 0 | 1075 | -1075 | 271525 | 36700 | 234825 | JUL 24 | 430.15 | 0.82 |
| Nickel | 77148 | 0 | 1728 | -1728 | 75420 | 7158 | 68262 | Shanghai, CNY/mt | | |
| Tin | 4290 | 60 | 65 | -5 | 4285 | 635 | 3650 | 01-Apr | 75910 | 0.90 |
| Zinc | 260125 | 0 | 200 | -200 | 259925 | 36025 | 223900 | 01-May | 76130 | 1.10 |

| Global Markets | % Change | | Currencies | % Change | | Precious Metals | % Change | | Previous Day's Fix |
|----------------|----------|-------|------------|----------|---------|-----------------|----------|---------|--------------------|
| Last | % Change | | Last | % Change | Last | % Change | AM | PM | |
| DAX | 18077 | -1.32 | GBP | 1.2672 | 0.1343 | Gold | 2340.65 | 0.0693 | 2336.9 |
| DJI | 38740 | -0.39 | JPY | 151.7300 | 0.0593 | Silver | 27.69 | -0.5673 | 2782.5 |
| S&P500 | 5181 | -0.41 | EUR | 1.0856 | -0.0276 | Gold Comex | 2359.2 | 0.349 | |
| SSE | 3049 | 0.05 | CNY | 7.2325 | -0.0235 | Platinum | 967.69 | 0.1366 | |
| Hg Seng | 16828 | 0.57 | AUD | 0.6621 | 0.2574 | Palladium | 1067.88 | 1.7814 | |
| Brent | 90 | -0.56 | CAD | 1.3584 | -0.0883 | | | | |

Source: Bloomberg
Updated: 09/04/2024 17:30

All price data is from 09.04.2024 as of 17:30

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