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DAILY BASE METALS REPORT

Tariff Tensions Take Centre Stage as Markets Brace for 'Liberation Day'

Summary

- Markets brace for US-EU tariff escalation
- Dollar and yields retreat on risk aversion
- Base metals mixed ahead of evening announcement

Macro

US equities opened lower today as markets positioned cautiously ahead of President Trump's anticipated tariff announcement, due later this evening at 4 p.m. Washington time. Styled as "US Liberation Day," the announcement is expected to include new tariffs—potentially as high as 25%—on all EU exports to the United States. The European Commission has confirmed it will respond in a single coordinated move, preparing a package of countermeasures worth €26 billion to cover both the upcoming auto tariffs and the steel and aluminium duties already in place. With retaliation almost certain, the risk of a full-scale trade war between the US and EU is intensifying.

The dollar extended recent losses, dipping below the 103.8 mark, while the 10-year US Treasury yield tested a key support level at 4.11%—a threshold it has not breached since October—reflecting safe-haven demand and rising growth concerns. From a data perspective, US ADP employment change in March came in stronger than expected at 155k, up significantly from February's 77k. However, the positive surprise failed to shift sentiment, as attention remains firmly fixed on today's tariff developments.

Base Metals

Base metals were mixed in subdued trading ahead of the US tariff decision. LME copper held steady at \$9,707.50/t, showing modest gains despite lingering uncertainty over potential retaliatory measures. Aluminium extended its decline, dropping to \$2,490.50/t—its lowest level since early February—as bearish sentiment persisted amid demand concerns. Zinc led losses, falling to \$2,780/t, continuing its recent downward momentum. Nickel also slipped to \$15,990/t, while lead dropped to \$1,973/t after failing to hold key support levels. Tin defied the trend, rising 0.88% to \$37,810/t, maintaining its resilience on persistent supply concerns out of Myanmar.

Precious Metals and Oil

Gold remained in focus as geopolitical tensions escalated, inching higher to \$3,130/oz but struggling to maintain momentum at this level. Silver followed suit, hovering just below \$34.00/oz. Oil prices remained volatile, with WTI trading at \$71.4/bbl and Brent at \$74.6/bbl, as markets weighed ongoing geopolitical risks and potential supply

disruptions linked to tariff responses.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion	
Aluminium	2612	2628	2601	2607.0	2608	25368	704263	-18.52	118.25	
Copper	10098	10165	9893	9927.0	10095	31307	303489	-43.78	450.29	
Lead	2077	2094	2066	2091.5	2082	9096	142365	-15.84	94.87	
Nickel		16330	16030	16245.0	16220	5763	229600	-232.78	736.87	
Tin	34950	35140	34625	35071.0	35015	766	23452	163.00	1590.81	
Zinc	2966	2974	2934	2956.0	2969	8927	225921	-21.45	134.08	
					Total:	81227	1629090			
Official Prices								Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M		
Aluminium	2600	2617	2661.75	2693.75	2590.16	2609.5	2675.944444	2663.972222		
Copper	9884	9909	9804.96	9804.96	10091.54	10112	9727.638889	9756.138889		
Lead	2068	2071	2157.05	2177.05	2069.34	2084	2036.027778	2054.5		
Nickel	15975	16200	17394.32031	18109.32031	15930.57	16161	16068.33333	16293.61111		
Tin	34810	34825			35096.98	35053	33721.94444	33796.66667		
Zinc	2930.5	2954	2939.58	2856.83	2956.68	2972	2892.861111	2919.472222		
LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Ton-nage	Last	% Change	
Aluminium	476625	0	3525	-3525	473100	293925	179175	Comex, USc/lb		
Copper	219950	0	3200	-3200	216750	105750	111000	MAR 25	518.3 2.35	
Lead	231975	750	725	25	232000	72300	159700	MAY 25	521.05 2.32	
Nickel	200616	510	48	462	201078	12036	189042	Shanghai, CNY/mt		
Tin	3555	0	475	-475	3080	725	2355	01-Apr	82370 0.88	
Zinc	150225	0	3650	-3650	146575	90250	56325	01-May	82410 0.84	
Global Markets								Previous Day's Fix		
		Currencies		Precious Metals						
Last	% Change			Last	% Change	Last	% Change	AM	PM	
DAX	22839	-1.17	GBP	1.2876	-0.0931	Gold	3019.45	0.0023	3021.35	3025.20
DJI	42455	-0.31	JPY	150.3700	0.1330	Silver	33.64	0.0193		3343.5
S&P500	5712	-1.12	EUR	1.0739	-0.1395	Gold Comex	3054.2	0.062		
SSE	3369	-0.04	CNY	7.2683	-0.1362	Platinum	977.1	-0.0041		
Hg Seng	23483	0.60	AUD	0.6286	-0.2064	Palladium	965.55	-0.3365		
Brent	74	1.05	CAD	1.4296	-0.2029					
Source:	Bloomberg									
Updated:	26/03/2025 17:30									

All price data is from 02.04.2025 as of 17:30

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