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THU 17 APRIL 2025 00:10

DAILY BASE METALS REPORT

Trade Uncertainty Lingers Despite China's Openness to Talks

Summary

- US stocks weakened on the back of waning tech optimism.
- Despite China's willingness to initiate trade talks with the US, base metals' trading remained thin.
- Gold continues to post new highs amid economic and trade uncertainty.

Macro

US stocks gapped lower on the open as yesterday's tech optimism faded amidst new restrictions imposed by the Trump administration on Nvidia Corp.'s chip exports to China, highlighting the ongoing trade tensions between the two nations. Meanwhile, China has indicated that it is open to initiating trade talks, contingent upon key favourable actions from the Trump administration. Today, Fed Chair Jerome Powell is expected to deliver a speech, which may help clarify the central bank's strategy in light of this trade volatility. However, the absence of significant economic data may limit Powell's narrative strength, as policymakers are still unable to fully assess the longer-term implications. Despite this, forward swaps are currently pricing in more than three interest rate cuts from the Fed this year. From a macroeconomic standpoint, US retail sales grew by 1.4%, the largest increase in two years. However, since this figure reflects March's performance, it has largely been discounted by the markets in terms of its impact on the broader sentiment today. The dollar remained just below the 100 mark, trading at 99.56, while the 10-year U.S. Treasury yield held steady at 4.33%.

Base Metals

In the base metals market, trading remained thin, with prices largely stable due to a lack of fundamental drivers and speculative interest, resulting in minor fluctuations across the board. Nickel remains the only exception, continuing to gain momentum to its fair value range, closing at \$15,683/t. Elsewhere, aluminium and copper held around the \$2,370/t at \$9,100/t support levels, respectively. Lead and zinc held steady at \$1,908/t and \$2,582/t.

Precious Metals and Oil

Precious metals continued to attract attention amid ongoing economic and trade uncertainties that drive investors toward safe havens. Gold reached new heights, surpassing the \$3,300/oz mark, while silver strengthened to \$32.50/oz. Oil futures remain closely tied to the fundamental demand landscape, with China's willingness to engage in talks with the U.S. under favourable bilateral terms prompting WTI and Brent prices to

rise to \$62/bbl and \$65/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2373	2389	2353	2382.0	2372	24304	695310	-37.00	108.05
Copper	9138	9217	9029	9203.5	9137	16961	290126	-32.22	417.47
Lead	1905	1917	1889	1908.0	1902	4780	151498	-16.24	86.55
Nickel		15780	15390	15683.0	15535	9912	242152	-202.64	711.38
Tin	31250	31370	30520	30800.0	31055	798	23730	-264.00	1397.08
Zinc	2622	2622	2545	2582.0	2614	14694	209851	-31.57	117.12
					Total:	71449	1612667		

Official Prices	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2332.5	2370	2498.73	2562.73	2333.94	2375	2375.083333	2410.166667	
Copper	9083	9119	9270.25	9325.25	9119.26	9164	9099.75	9139.125	
Lead	1884	1902	1994.86	2044.86	1894.56	1914.5	1894.333333	1918.791667	
Nickel	15400	15605	16741.73047	17431.73047	15344.86	15558	15027.5	15247.5	
Tin	30700	31000			30759	31049	33535.41667	33457.5	
Zinc	2544	2575.5	2606.06	2538.06	2591.62	2615	2644.958333	2662.291667	

LME Stocks (tonnes)	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	439325	2475	4825	-2350	436975	185050	251925	Comex, USc/lb		
Copper	212475	5550	1775	3775	216250	91525	124725	MAY 25	462.55	2.27
Lead	265550	19425	1850	17575	283125	122950	160175	JUL 25	467.8	2.33
Nickel	202818	300	528	-228	202590	19404	183186	Shanghai, CNY/mt		
Tin	2845	0	0	0	2845	170	2675	01-Apr	76090	-0.07
Zinc	112025	80600	2075	78525	190550	41825	148725	01-May	76040	0.25

Global Markets	Last	% Change	Currencies	Last	% Change	Precious Metals	Last	% Change	Previous Day's Fix	AM	PM
DAX	21311	0.27	GBP	1.3228	-0.0227	Gold	3328.28	3.0198	3227.35	3219.60	
DJI	39813	-1.38	JPY	142.3800	0.5829	Silver	32.86	1.6581		3231	
S&P500	5326	-1.30	EUR	1.1382	0.8864	Gold Comex	3344	3.197			
SSE	3276	0.26	CNY	7.3012	0.2000	Platinum	970.54	0.851			
Hg Seng	21057	-1.91	AUD	0.6372	0.4255	Palladium	973.81	-0.2193			
Brent	66	1.65	CAD	1.3884	0.5186						

Source: Bloomberg
Updated: 16/04/2025 17:30

All price data is from 16.04.2025 as of 17:30

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