

Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Research Associate

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DAILY BASE METALS REPORT

Cautious Calm Before the Fed

Summary

- Fed in focus as markets await policy cues.
- Base metals broadly lower.
- Gold drops on profit-taking.

Macro:

US equities opened firmer on Tuesday but failed to hold early gains, as markets tread cautiously ahead of the Fed's rate decision due later today. Consensus expects no change, with the target range likely to remain at 4.25–4.50%, though positioning remains vulnerable to any hawkish tilt in the statement. The dollar index held steady below the 99.5 mark, while the 10-year Treasury yield extended its decline, slipping below 4.30% as duration demand builds ahead of potential policy clarity.

Base Metals:

Base metals were broadly weaker, giving back recent gains amid a risk-off tone and pre-Fed positioning. Aluminium led losses, falling to \$2,383.50/t, while copper dropped to \$9,415/t after a failed attempt to consolidate above resistance. Nickel slipped to \$15,555/t and zinc edged lower to \$2,618.50/t. Tin also retreated, trading at \$31,655/t, paring back from recent highs. Lead was the lone gainer, rising modestly to \$1,930.50/t in a low-volume session.

Precious Metals and Oil:

Gold eased to \$3,385/oz as traders took profits following yesterday's surge, while silver followed suit, retreating to \$32.60/oz. Oil prices remained under pressure, with WTI and Brent down to \$58.5/bbl and \$61.5/bbl respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2431	2444	2377	2382.5	2429	23279	723999	-28.01	108.14
Copper	9550	9582	9401	9419.5	9520	15341	291649	21.65	427.42
Lead	1918	1961	1915	1957.5	1918	7974	148699	-16.08	88.81
Nickel	15700	15750	15470	15548.0		5317	239955	-201.50	705.34
Tin	31995	32205	31455	31636.0	31995	448	22729	-165.00	1437.90
Zinc	2638	2658	2614	2616.5	2627	10366	211130	-36.93	118.73
					Total:	62725	1638161		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2363.5	2391	2467.5	2525.5	2401.34	2427	2386.625	2411	
Copper	9486	9462.5	9293.36	9343.36	9559.75	9538	9389.25	9370.375	
Lead	1912.5	1934.5	2034.18	2084.18	1905.36	1923	1932.875	1947.875	
Nickel	15355	15535	16561.31	17251.31	15493.87	15698	15281.25	15475	
Tin	31350	31505	31722		31817	31992	31153.75	31351.25	
Zinc	2583.5	2626	2653.91	2588.66	2593.2	2632.5	2579.125	2615.75	

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	411575	0	4000	-4000	407575	156900	250675	Comex, USc/lb	
Copper	195625	0	1650	-1650	193975	86125	107850	MAY 25	473.5 1.72
Lead	261500	1500	6300	-4800	256700	136075	120625	JUL 25	477.8 1.68
Nickel	200082	222	522	-300	199782	20268	179514	Shanghai, CNY/mt	
Tin	2700	70	15	55	2755	295	2460	01-May	78300 0.47
Zinc	172925	0	1525	-1525	171400	50375	121025	01-Jun	78030 0.46

Global Markets		Currencies		Precious Metals			Previous Day's Fix			
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	23116	-0.58	GBP	1.3333	-0.2693	Gold	3380.88	-1.4829	3377.35	3391.45
DJI	41093	0.65	JPY	143.5800	-0.7870	Silver	32.65	-1.7292		3302.5
S&P500	5615	0.14	EUR	1.1341	-0.2551	Gold Comex	3388.9	-0.990		
SSE	3343	0.80	CNY	7.2252	-0.0858	Platinum	983.98	-0.3776		
Hg Seng	22692	0.13	AUD	0.6451	-0.6774	Palladium	980.03	0.4386		
Brent	61	-1.30	CAD	1.3791	-0.0943					

Source: Bloomberg
Updated: 07/05/2025 17:30

All price data is from 07.05.2025 as of 17:30

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