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Daily Base Metals Report

Summary

- US markets closed for Independence Day, but fiscal concerns linger.
- Base metals weakened as the risk-on momentum faded into the week end.
- Gold and silver held steady, while oil drifted lower in subdued trade.

Macro

With US markets closed for the Independence Day holiday, attention turned to Europe, where equity indices were mixed in thin trading. The dollar index, which had spiked on Thursday following stronger-than-expected jobs data, failed to hold above the 97.0 level and eased slightly. The euro regained ground, ending a two-day losing streak and firming modestly against the dollar. Meanwhile, investors continued to digest the broader implications of Trump's newly passed tax and spending package, the so-called "Big Beautiful Bill", which is expected to inject substantial fiscal stimulus but may also add more than \$3 trillion to the federal deficit over the next decade, intensifying concerns around long-term debt sustainability and elevated Treasury issuance.

Base Metals

Base metals showed strength earlier in the week, supported by ongoing physical copper tightness and a weaker dollar, which helped bolster a risk-on sentiment across the complex. While a moderate price correction occurred by the end of the week due to the strengthening dollar, the underlying speculative trend indicates a growing appetite for upside potential. This could encourage metals to continue cautiously gaining momentum in the near term, with technical resistance levels providing key points from which prices can determine their direction.

Meanwhile, prices softened, with aluminium and copper dropping to \$2,590/t and \$9,864.50/t, respectively. Lead held its nerve, as it hovered above the \$2,050/t mark, as zinc edged lower to \$2,724/t. Nickel also weakened to \$15,290/t.

Precious metals and Oil

Gold was little changed, hovering near \$3,333/oz. Stochastics around 33% suggest the metal is recovering from oversold conditions, though the recent flattening points to a pause in upside momentum for now. Silver also moved marginally higher, edging closer to \$36.90/oz. Notably, silver stochastics have remained in overbought territory for much of the month but are now slipping below 70, hinting at a possible cooling in momentum. Oil prices drifted lower in quiet trade, with WTI last seen at \$66.30/bbl and Brent at \$68.10/bbl.

								Spreads	Conversion
	Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb
Aluminium	2600	2609	2582	2590.0	2606	10809	688559	-3.40	117.48
Copper	9958	9968	9825	9864.5	9952	13118	284560	95.35	447.45
Lead	2060	2068	2052	2058.5	2063	3742	151720	-24.63	93.37
Nickel	15355	15445	15255	15290.0		4277	241065	-189.09	693.55
Tin	33785	33785	33575	33702.0	33805	154	20625	22.00	1528.71
Zinc	2740	2757	2723	2724.0	2738	4563	205849	-21.64	123.56
				Total:		36663	1592378		
Official Prices								Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2		PD Cash	PD 3M	Cash	3M
Aluminium	2587	2591	2626	2652		2599.25	2605	2599.25	2600.875
Copper	9970.5	9881	9871.230469	9891.230469		10042.11	9954.5	10049.125	9953
Lead	2041	2063	2127.72	2178.72		2037.53	2064	2027.125	2058
Nickel	15120	15320	16133.68	16808.68		15263.52	15451	15105	15292.5
Tin	33775	33800	33526			33806	33848	33836.25	33812.5
Zinc	2714	2736.5	2771.15	2743.15		2728.51	2750.5	2717.75	2738.375
LME Stocks (tonnes)								Other Copper Markets	
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	356975	6950	0	6950	363925	8225	355700	Comex, USc/lb	
Copper	94325	1000	50	950	95275	33950	61325	JUL 25	503 -0.76
Lead	265900	0	2625	-2625	263275	67375	195900	SEP 25	508.25 -0.79
Nickel	203628	150	1308	-1158	202470	8502	193968	Shanghai, CNY/mt	
Tin	2165	0	55	-55	2110	665	1445	01-Jul	80140 0.21
Zinc	112675	0	350	-350	112325	30275	82050	01-Aug	80020 0.31
Global Markets				Currencies		Precious Metals		Previous Day's Fix	
Last	% Change			Last	% Change	Last	% Change	AM	PM
DAX	23787	-0.61	GBP	1.3649	-0.0439	Gold	3337.22	0.3337	3350 3332.15
DJI	44829	0.77	JPY	144.4800	0.3115	Silver	36.97	0.345	3688
S&P500	6279	0.83	EUR	1.1776	0.1616	Gold Comex	3346.5	0.108	
SSE	3472	0.32	CNY	7.1658	0.0670	Platinum	1397.9	1.5252	
Hg Seng	23916	-0.64	AUD	0.6548	-0.3500	Palladium	1137.72	-0.0123	
Brent	68	-0.73	CAD	1.3612	-0.2130				
Source:	Bloomberg								
Updated:	04/07/2025 17:30								

All price data is from 04.07.2025 as of 17:30

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