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DAILY BASE METALS REPORT

Fed Cut Optimism Wanes

Summary

- Markets digest fading Fed easing hopes.
- Base metals continue to give up previous gains, following a mean-reversion cycle.
- Gold and silver slip.

Macro

US equities opened mixed on Tuesday, with the Dow approaching its all-time highs while the Nasdaq surrendered recent weekly gains. Investor attention has shifted to Jackson Hole later this week, where remarks from Fed Chair Powell could clarify the path for monetary policy. Although a September rate cut remains widely expected, dovish optimism has waned over the past week. The dollar index weakened slightly, staying under 98.2, while the 10-year Treasury yield eased modestly, hovering just above 4.30%.

Base Metals

Base metals continued to weaken today, following a sideways mean-reversion cycle. This indicates that we may experience further short-term weakness before a possible recovery to the mean, assuming no external factors trigger a breakout from these ranges. In particular, copper has once again tested the \$9,700/t support level, with the \$9,600/t mark being crucial for a potential bounce back. Aluminium is approaching its key \$2,550/t support, holding just above at \$2,563.50/t. Lead and zinc edged slightly lower to \$1,973.50/t and \$2,768.50/t, respectively.

Precious Metals and Oil

Gold edged lower to \$3,322/oz, dragged by fading expectations of an aggressively dovish Fed pivot. Silver dropped below \$37.5/oz, reflecting the metal's sensitivity to broader market tone. Oil prices held in the middle of recent ranges, with WTI at \$62.6/bbl and Brent at \$66.0/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
Aluminium	2587	2588	2561	2563.5	2589	16854	669178	-3.59	116.21
Copper	9738	9778	9690	9692.0	9752	14666	265519	-96.85	439.69
Lead	1977	1989	1968	1973.5	1981	6304	159411	-44.00	89.52
Nickel	15165	15180	14985	15006.0	15170	6153	273310	-205.19	681.76
Tin	33665	33950	33665	33850.0	33670	495	20043	81.00	1534.29
Zinc	2777	2787	2761	2768.5	2784	7378	192766	-10.26	125.58
				Total:		51850	1580227		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2572.5	2574	2618.25	2661.25	2588.45	2588.5	2591.423077	2592.730769
Copper	9621.5	9729	9860.65	9950.65	9636.25	9733	9629.884615	9712.576923
Lead	1932	1971.5	2034.46	2082.71	1927	1971	1946.846154	1987.384615
Nickel	14885	15090	15734.00	16404.00	14956.35	15151	14906.15385	15110
Tin	33995	33760	33583		33791	33702	33646.92308	33621.15385
Zinc	2758	2774	2765.95	2716.45	2768.35	2777	2788.153846	2795.730769

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	479525	0	0	0	479525	14050	465475	Comex, US\$/lb	
Copper	155600	0	450	-450	155150	11250	143900	'SEP 25	447.95 -0.4
Lead	260475	25650	3175	22475	282950	54250	228700	'DEC 25	454.35 -0.34
Nickel	210414	0	1086	-1086	209328	10008	199320	Shanghai, CNY/mt	
Tin	1655	0	25	-25	1630	120	1510	01-Jul	0 0.00
Zinc	75850	0	3650	-3650	72200	28600	43600	01-Aug	78990 -0.18

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	24423	0.45	GBP	1.3490	-0.1037	Gold	3322.33	-0.3118	3348.45
DJI	44903	-0.02	JPY	147.6200	0.1829	Silver	37.45	-1.5092	3808.5
S&P500	6423	-0.40	EUR	1.1661	0.0000	Gold Comex	3365.9	-0.358	
SSE	3727	-0.02	CNY	7.1824	0.0348	Platinum	1319.91	-0.7534	
Hg Seng	25123	-0.21	AUD	0.6460	-0.4776	Palladium	1111.66	-0.2262	
Brent	66	-1.10	CAD	1.3860	-0.4113				

Source: Bloomberg
Updated: 19/08/2025 17:30

All price data is from 19.08.2025 as of 17:30

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