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DAILY BASE METALS REPORT

Markets Hold Fed Cut View Despite CPI

Summary

- Fed cut expectations pushed 10yr yield down to April levels.
- Aluminium and copper jumped higher, reaching March 2025 highs.
- Gold found support above $3,600/oz.

Macro

US equities began Thursday's session on a firmer footing following the latest consumer price data. Headline inflation rose by 2.9% YoY in August, marking the steepest annual increase since January and accelerating from July's 2.7% pace. The uptick was driven largely by elevated housing and food costs. Nevertheless, a higher-than-expected rise in initial jobless claims last week has reinforced expectations that the Fed will proceed with a rate cut at next Wednesday's meeting. Market pricing now reflects almost 75bps of easing anticipated by year-end. The 10-year Treasury yield slipped beneath the 4% threshold for the first time since April, while the dollar weakened modestly against major peers, with the dollar index easing to 97.5.

From other news, the ECB held interest rates steady as widely anticipated, offering little in the way of forward guidance. Despite growing market speculation that further monetary support may be required, policymakers refrained from signalling any imminent changes, even as inflation projections for next year continue to drift below the ECB's target.

Base Metals

Base metals saw significant buying interest today, particularly in aluminium and copper, prompting them to break above robust multi-month resistance levels. Notably, copper, which closed above the $10,000/t mark yesterday, experienced increased speculative interest above this level, leading it to surpass the $10,038/t resistance to hit $10,051.50/t – a March 2025 high. While copper's gains were more structured, aluminium prices surged sharply, breaking multiple resistance levels to reach $2,673.50/t, also a high for the first time since March. The rest of the complex followed suit, albeit with more moderate gains. Lead and zinc edged higher, with the latter testing the $2,900/t mark and closing at this level. Nickel remained rangebound at $15,150/t.

Precious Metals and Oil

Gold prices dipped slightly, finding tentative support near $3,620/oz, while silver edged higher, trading around $41.3/oz. Crude benchmarks retreated, with WTI slipping below $63.5/bbl and Brent softening to $66.3/bbl.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2622	2678	2622	2673.5	2622	32324	678747	11.06	121.43
Copper	9996	10065	9970	10051.5	10012	19000	289090	-61.54	456.34
Lead	1987	1997	1983	1996.5	1989	4413	158239	-42.99	90.45
Nickel	15150	15255	15055	15150.0	15170	6335	264329	-173.72	690.83
Tin	34665	34725	34475	34698.0	34635	436	21074	45.00	1573.75
Zinc	2888	2905	2877	2900.0	2888	9911	203552	22.50	131.63
					Total:	72419	1615031		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	Monthly Avg 3M
Aluminium	2656	2650	2706.21	2733.21	2627.92	2625	2620.055556	2616.944444
Copper	9926	9984	10222.82031	10303.82031	9956.39	10013	9839	9918.777778
Lead	1943.5	1987	2067.58	2117.58	1942.83	1987	1948.666667	1991.722222
Nickel	14900	15070	15820.66	16465.66	14963.12	15146	15062.22222	15240
Tin	34800	34655	34493		34633	34606	34781.66667	34646.66667
Zinc	2908	2879.5	2853.39	2793.39	2909.51	2886.5	2877.888889	2857.888889

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	485275	0	0	0	485275	110250	375025	Comex, USc/lb		
Copper	155050	100	975	-875	154175	20850	133325	'SEP 25	448.25	-0.12
Lead	237000	0	4375	-4375	232625	38350	194275	'DEC 25	455.1	-0.16
Nickel	221094	2100	42	2058	223152	8550	214602	Shanghai, CNY/mt		
Tin	2410	0	25	-25	2385	200	2185	01-Sep	79710	-0.34
Zinc	50825	0	200	-200	50625	15200	35425	01-Oct	79730	-0.26

Global Markets	Last	% Change	Currencies	Last	% Change	Precious Metals	Last	% Change	Previous Day's Fix AM	Previous Day's Fix PM
DAX	23704	0.30	GBP	1.3577	0.3548	Gold	3638.78	-0.0541	3646.4	3650.75
DJI	46058	1.25	JPY	147.0300	0.2925	Silver	41.70	1.2924		4120.5
S&P500	6586	0.83	EUR	1.1738	0.3677	Gold Comex	3677.1	-0.133		
SSE	3875	1.65	CNY	7.1186	0.0337	Platinum	1389.21	-0.3293		
Hg Seng	26086	-0.43	AUD	0.6664	0.7712	Palladium	1196.68	1.2334		
Brent	66	-1.67	CAD	1.3827	0.2676					

Source: Bloomberg
Updated: 11/09/2025 17:30

All price data is from 11.09.2025 as of 17:30