Sucden Financial

Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Research Associate

WED 12 NOVEMBER 2025 00:10

DAILY BASE METALS REPORT

Markets Hold Steady as Washington Nears Shutdown Deal

Summary

- **UK jobs data fuels BoE cut bets for December.**
- **US aluminium prices rally to record highs amid growing concerns over dwindling domestic inventories.**
- **Precious metals consolidate after Monday's sharp rebound.**

Macro

US equities traded mixed on Tuesday, with the Dow Jones inching higher while the S&P 500 and Nasdaq slipped as investors digested signs of profit-taking in the technology sector. Futures weakened following reports that SoftBank had sold part of its multi-billion-dollar stake in Nvidia, sparking renewed talk of overextension in AI valuations. However, this theme has played out repeatedly over recent months. Brief pullbacks on profit-taking have tended to fade quickly as investors re-enter the trade, and we see this episode following a similar pattern. The structural momentum behind AI spending remains strong, and any short-term weakness is likely to be met with fresh buying rather than a sustained correction.

In Washington, the Senate approved a short-term funding measure late Monday aimed at reopening the government, which now moves to the Republican-controlled House for a final vote expected tomorrow. If passed, the agreement would end the 40-day shutdown and fund federal operations through January, providing a temporary reprieve rather than a full resolution. If passed, the agreement would mark a welcome step toward restoring policy normality after weeks of disruption. In the near term, markets may interpret the resolution as a mild risk-on signal, potentially supporting the dollar and easing safe-haven demand for gold, though any reaction is likely to be limited given that the deal merely delays, rather than resolves, the broader fiscal standoff ahead of year-end.

In the UK, the unemployment rate rose to 5.0% in September from 4.8%, prompting sterling to weaken as markets raised the probability of a BoE rate cut in December to 86%. The trend reinforces expectations that the UK's growth slowdown is now filtering through to labour conditions, increasing pressure for early monetary easing.

Base Metals

US aluminium prices have hit record highs, with the Midwest Premium continuing to strengthen amid renewed interest in bringing aluminium into the US as domestic inventories reportedly draw down. Since the 50% tariff was implemented in June, the US premium has been grinding higher to reflect this pickup in demand. Canada remains the dominant supplier, accounting for 70% of all aluminium imports, though inbound volumes have slipped by more than 20% from January to August.

Estimates put US aluminium inventories at 300,000–400,000mt by the end of Q3 2025, covering around a month of primary consumption. This continues to heighten urgency around US aluminium availability, but so far, the impact on the global balance, as reflected on the LME, has been limited. If US tightness persists into the winter or if global stocks begin to flow West, LME prices may start to factor in a tighter 2026 balance.

In the meantime, base metal price action was muted. Aluminium and copper opened higher but erased the gains made during the day, coming back to $2,875/t and $10,823/t, respectively. Likewise, zinc spreads are supporting forward pricing above $3,050/t; lead remained elevated at $2,062/t.

Precious Metals and Oil

Gold traded within a tight range on Tuesday, testing resistance at $4,150/oz and support at $4,100/oz as investors awaited confirmation of the US government's reopening. Silver also consolidated, holding above $50.5/oz after finding resistance at $51.25/oz. The consolidation suggests a market pause following last week's sharp rebound, with both metals balancing between weaker dollar support and profit-taking pressures. For now, gold's resilience near $4,100/oz implies ongoing safe-haven interest, while silver's higher volatility continues to reflect speculative positioning.

Oil prices extended gains, with WTI climbing to $61.2/bbl and Brent to $65.2/bbl, supported by expectations that OPEC's monthly report tomorrow and the IEA's annual outlook will highlight supply constraints into early 2026. The focus now shifts to whether both agencies temper forecasts for demand growth, which could shape the next leg of price direction.

								Spreads	Conversion
	Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb
Aluminium	2885	2891	2862	2874.5	2881	17847	717713	-23.69	130.45
Copper	10851	10871	10800	10827.0	10875	13336	324358	-21.28	491.47
Lead	2059	2067	2047	2063.5	2057	8459	153641	-20.89	93.58
Nickel	15110	15125	15025	15053.0	15100	6130	253242	-200.63	682.44
Tin	36170	36800	36125	36617.0	36180	1170	21817	85.00	1664.02
Zinc	3084	3088	3046	3066.5	3086	9402	219916	117.04	139.03
					Total:	56344	1690687		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2841	2866	2909.82	2932.82	2853.91	2869.5	2857.928571	2869.642857
Copper	10777	10805	10765.15	10635.15	10781.15	10796	10728	10754.71429
Lead	2037	2053	2138.3	2199.39	2046.2	2058.5	2016.285714	2039.5
Nickel	14850	15065	15619.19	16194.19	14911.5	15108	14901.42857	15098.57143
Tin	36300	36260	36493		36057.33	36024	36090	36074.28571
Zinc	3172	3046.5	3039.45	2952.45	3257.55	3081	3209.142857	3074

LME Stocks (tonnes)							
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage
Aluminium	547225	0	2000	-2000	545225	35675	509550
Copper	136275	1500	1525	-25	136250	10200	126050
Lead	202200	26450	1925	24525	226725	98325	128400
Nickel	253404	0	96	-96	253308	14970	238338
Tin	3035	0	20	-20	3015	140	2875
Zinc	34900	650	250	400	35300	4300	31000

Other Copper Markets	Last	% Change
Comex, USc/lb		
'DEC 25	510.6	3.01
'MAR 26	517.8	3.00
Shanghai, CNY/mt		
01-Nov	86680	0.30
01-Dec	86700	0.43

Global Markets	Last	% Change
DAX	24088	0.53
DJI	47745	0.80
S&P500	6827	-0.08
SSE	4003	-0.39
Hg Seng	26696	0.18
Brent	65	1.81

Currencies	Last	% Change
GBP	1.3178	0.0228
JPY	154.0800	0.0454
EUR	1.1597	0.3461
CNY	7.1173	0.0183
AUD	0.6530	-0.0918
CAD	1.4006	0.1071

Precious Metals	Last	% Change	Previous Day's Fix AM	Previous Day's Fix PM
Gold	4114.53	-0.0299	4077.6	4090.25
Silver	50.83	0.6357		5004
Gold Comex	4120.5	-0.036		
Platinum	1590.27	1.0394		
Palladium	1453.99	2.6155		

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

All price data is from 11.11.2025 as of 17:30