



Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Senior Research Analyst

SAT 10 JANUARY 2026 00:10

DAILY BASE METALS REPORT

Cooling Jobs, Enduring Resilience

Summary

- US labour data continue to signal slowing rather than stress, keeping the Fed on watch rather than forcing an immediate policy shift.
- Base metals jumped, consolidating at yesterday's lows; we believe further upside is possible but conditions beyond pure speculative appetite must be met to prompt prices significantly higher.
- Silver volatility remains elevated, leaving the complex prone to two-way swings even as the broader precious narrative stays constructive.

Macro

US equities opened higher as markets digested a mixed set of labour indicators alongside surprisingly firm consumer sentiment, tilting early risk appetite in a constructive direction. Nonfarm Payrolls showed the US added 50,000 jobs in December, below expectations and softer than prior months, while the unemployment rate edged down to roughly 4.4%. The combination reinforces the narrative of a labour market that is cooling gradually but not deteriorating outright, a profile that neither compels the Fed to accelerate easing nor shuts the door to cuts later in 2026 if activity softens further.

The University of Michigan's preliminary consumer sentiment index rose to around 54, beating expectations and marking the strongest reading in several months. The improvement suggests households are becoming more comfortable with the economic environment, even as the labour data imply that hiring momentum is easing. In our view, these two signals together remain broadly supportive for Q1 growth.

The dollar index firmed towards 99.2, while the 10-year Treasury yield slipped below 4.20% as mixed labour signals prevented yields from breaking higher. For now, we expect FX to remain driven by growth differentials, whereas rates markets remain more data-dependent and prone to recalibration on labour prints.

Base Metals

Base metals jumped higher today, finding support at yesterday's lows. Copper strengthened by 2.2% to test the \$13,000/t mark once again, as aluminium rallied above \$3,100/t towards \$3,140/t. Tin and lead were seen higher, trading at \$45,500/t and \$2,050/t, respectively.

Today's move reinforces our view that the recent weakness was driven more by profit-taking than by any fundamental shift in trend. As a result, price discovery is increasingly influenced by systematic players, which continue to consume liquidity. This is creating a cycle of thinning liquidity and a moderately bullish narrative, where most selling arises from profit-taking rather than a change in market fundamentals.

Another upside move is possible, but we believe that several conditions beyond pure speculative appetite must be met. These include nearby spreads tightening into backwardation, a sudden withdrawal of stocks on the LME, or macro shocks that could lead to forced deleveraging.

Precious Metals

Precious metals extended their run, with gold moving back above \$4,500/oz and silver testing the \$80/oz mark. The rebound suggests that investors are not yet willing to step away from silver, with perceived supply tightness helping support the bid even as price action becomes more two-way. Near term, we expect volatility to remain elevated, particularly in silver, where positioning and liquidity are amplifying moves relative to gold.

Oil prices edged higher, with WTI around \$59.2/bbl and Brent near \$63.3/bbl. For now, we expect crude to remain range-bound, with near-term direction more sensitive to supply headlines and positioning than to incremental macro data.

All price data is from 09.01.2026 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).