



Authors

Daria Efanova
Head of Research

Viktoria Kuszak
Senior Research Analyst

TUE 20 JANUARY 2026 00:10

DAILY BASE METALS REPORT

Tariff Noise, Limited Signal

Summary

- Markets treated weekend levies as political signalling rather than policy.
- Base metals recovered some of Friday's weakness, and we expect prices to transition into rangebound phase in the near term.
- Dip-buying persisted in precious as gold and silver hit new highs.

Macro

US markets were closed for Martin Luther King Jr. Day, leaving global equities to digest fresh tariff chatter in thinner liquidity. Weekend announcements have become a familiar feature of the current news cycle, and this time the focus was on potential European levies tied to ongoing diplomatic friction. With the US shut, price discovery was pushed toward European hours and any impact may fade before Wall Street reopens.

The latest tariff rhetoric appeared more political signalling than imminent policy, and markets did not react with the same intensity seen during last year's trade volleys. Investors seem to be treating the weekend headlines as lower-conviction threats rather than the opening salvo of a new tariff cycle.

The dollar softened against major peers, taking the DXY toward 99.0, while Treasury yields edged higher, with the 10-year nudging above 4.22%, marking its first sustained break above 4.20% since August.

Base Metals

Base metals opened the week on a firmer footing, stabilising after Friday's volatile session that unwound much of the prior week's gains, as a softer dollar and dip-buying helped reinforce the near-term price floor. In our view, upside momentum has largely been exhausted for now, with multiple topping signals emerging in copper and aluminium. That said, we do not expect downside pressure to accelerate materially in the near term. Instead, price action is likely to transition into a more subdued, rangebound phase, as markets digest recent moves and await a clearer directional catalyst.

As of today, copper is holding below \$13,000/t, while aluminium is hovering around \$3,150/t. Likewise, zinc and lead are holding their ground at \$3,200/t and \$2,040/t, respectively. Tin and nickel recover some of Friday's downside, returning to \$49,250/t and \$18,115/t, respectively.

Precious Metals

Precious metals extended their advance, with both gold and silver marking new record highs after Friday's retracement proved shallow and ultimately drew fresh demand. Gold pushed toward the \$4,670/oz area, while silver briefly tested \$94/oz, highlighting ongoing appetite for exposure beyond pure geopolitical hedging.

Positioning appears to have rotated toward momentum and allocation themes, with dip-liquidity remaining strong despite elevated volatility. Last week's pullback now looks like a positioning clean-up rather than the start of a broader unwind, and the speed of re-engagement suggests that sidelined capital is still willing to chase strength on shallow dips.

From here, we expect participants to continue adding into weakness rather than strength, particularly in silver where volatility is higher and tactical buyers remain active. ETF flows and macro hedging interest remain supportive, and unless policy noise intensifies materially, dips should continue to attract fresh length into next week.

Oil traded mixed, with WTI around \$59.6/bbl and Brent near \$62.2/bbl as geopolitical risk and demand expectations continued to offset one another.

All price data is from 19.01.2026 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).