



## Authors

Daria Efanova  
Head of Research

Viktoria Kuszak  
Senior Research Analyst

---

FRI 13 MARCH 2026 07:30

DAILY BASE METALS REPORT

# The Conflict Continues

## Summary

- The closure of the Strait of Hormuz continues to weigh on the markets.
- Aluminium found resistance at \$3550/t.
- Precious metals were uneven as stronger oil, a firmer dollar and higher yields weighed.

### Macro

US equities opened lower as geopolitical tensions in the Middle East continued to weigh on sentiment. Markets reacted to the confirmation that Iran's new Supreme Leader intends to maintain the closure of the Strait of Hormuz, a key energy chokepoint through which roughly one-fifth of global oil supply normally transits. The dollar strengthened, climbing above 99.6, while US Treasury yields remained elevated with the 10-year holding firmly above 4.22%.

In policy developments, the US administration is reportedly preparing a temporary waiver of the century-old Jones Act to allow foreign-flagged vessels to transport fuel between US ports. The move aims to ease domestic fuel logistics by enabling more tankers to move oil and refined products from the Gulf Coast to the East Coast.

### Base Metals

Base metals were mixed but broadly rangebound. Aluminium initially extended its recent rally but struggled to break resistance near \$3550/t before retreating towards \$3500/t.

Since the escalation of the Middle East conflict, aluminium prices have risen by more than 11%. The magnitude of the move appears increasingly disconnected from the likely supply disruption. Even assuming a full shutdown of smelting facilities across the most exposed Gulf producers, including Iran, Bahrain and Qatar, the potential impact would amount to roughly 6.8Mt of aluminium capacity, equivalent to around 9.2% of global smelting production. Bahrain alone accounts for approximately 1.6Mt, or just over 2% of global output. Should tensions begin to ease, aluminium could see a sharp mean-reverting move.

Recent developments also suggest the supply shock may be smaller than initially feared. Qatar Aluminium has indicated it will continue operating at around 60% capacity as gas supply remains available, reversing earlier expectations of a complete shutdown.

Elsewhere metals traded sideways, with copper hovering around \$13,000/t while zinc fluctuated near \$3,300/t.

### Precious Metals

Precious metals were volatile, once again moving inversely to oil as energy markets absorbed the bulk of geopolitical risk. The stronger dollar and elevated US yields also limited upside in bullion.

Gold softened, briefly testing support near \$5,120/oz before edging back towards \$5,130/oz, while silver traded in a broad \$85–87/oz range.

Oil remained the dominant driver of cross-asset sentiment. Brent traded close to \$100/bbl while WTI approached \$99.5 as markets continued to price in prolonged disruption to Gulf supply flows.

All price data is from 12.03.2026 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](http://www.sucdenfinancial.com/en/risk-warning-and-disclaimers)).