



Authors

Viktoria Kuszak
Senior Research Analyst

Daria Efanova
Head of Research

TUE 12 MAY 2026 07:30

DAILY BASE METALS REPORT

Records Break as Dollar Softness Lifts Metals

Summary

- Record highs in equities and softer yields are keeping risk appetite supported, but higher oil leaves macro conditions vulnerable to Hormuz headlines.
- Base metals are extending gains on dollar weakness and momentum flows, with copper and zinc now needing to hold above breakout levels.
- Gold remains capped, while silver continues to outperform as momentum and metals sentiment stay constructive.

Macro

US equities opened higher, breaking new records again as risk appetite remained resilient despite a more fragile US and Iran negotiation path. Talks appear to have stalled after Washington rejected Tehran's latest response as unacceptable, keeping the Strait of Hormuz risk unresolved and supporting oil prices. Brent moved back above \$100/bbl, with WTI around \$98/bbl, reminding markets that the energy premium has not fully unwound. The dollar started the week firmer but softened through the session, with DXY slipping back below 97.9, while the US 10 year yield held mostly flat below 4.4%. We expect markets to remain supported while yields stay capped, but any renewed escalation around Hormuz could quickly revive inflation concerns and test the current risk tone.

Base metals

Base metals moved higher, supported by the softer dollar and renewed momentum across parts of the complex. Copper surged toward \$14,000/t, marking a fifth consecutive day of strong gains. The move accelerated once \$13,760/t was breached, suggesting fresh momentum buying and stop driven flows, before resistance emerged around \$13,970/t. We see the break as technically constructive, although the pace of the move leaves the market vulnerable to profit taking unless copper can consolidate near the highs.

Aluminium rose toward \$3,580/t but was capped at that level. The cash-to-three month spread widened close to \$70 backwardation, pointing to firmer nearby tightness and suggesting that physical structure is still supportive despite the lack of a clean breakout in price.

Zinc also broke out of its recent range, rising above \$3,460/t and testing \$3,480/t. The jumps in volume alongside higher prices suggest that buying interest strengthened as resistance gave way, with more market participation behind the move. For confirmation, zinc now needs to hold above the former range; otherwise, the move risks becoming another short-lived momentum spike.

Precious metals and oil

Gold remained rangebound, capped near \$4,750/oz as the market lacked a fresh catalyst to extend higher. Softer

dollar conditions helped limit downside, but stable yields kept upside contained. We expect gold to stay supported while geopolitical risk remains unresolved, although a break above \$4,750/oz is needed to confirm renewed upward momentum.

Silver was the standout performer, rising to touch \$86/oz and continuing to outperform gold. The move suggests stronger momentum, but the pace of gains also raises the risk of short-term volatility. We expect silver to remain well supported if the dollar stays soft, with dips likely to attract interest while broader metals sentiment remains constructive.

All price data is from 11.05.2026 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).