Sucden Financial

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DAILY BASE METALS REPORT

Waiting for Warsh

Summary

- US retail sales held up, but markets still waited for Warsh's first guidance before taking a clearer view.
- Base metals improved at the margin, with copper back above $13,800/t while aluminium remained less convincing.
- Precious metals stayed broadly flat near recent highs, with gold around $4,355/oz and silver near $70.6/oz.

Macro

US equities opened with a split tone, with the Dow Jones and S&P 500 firmer while the Nasdaq lagged, as investors digested a strong US consumer signal but still waited for Warsh's first Fed guidance before taking a clearer directional view. Official Census data showed May retail sales up 0.9% MoM and 6.9% YoY, which reinforces the message that US demand is still holding up into the FOMC.

The dollar edged higher back above 99.6, the US 10-year yield hovered just above 4.4% in a narrow range, and oil stayed below $80/bbl with Brent around $79.5 and WTI near $76.5/bbl, which is easing the near-term energy pulse but not enough to settle the policy debate.

For now, we expect Warsh to keep the rate unchanged at 3.50%–3.75% and use the statement and press conference to preserve a cautious, data-dependent tone.

Base Metals

Base metals were firmer overall and looked more orderly than over the previous two sessions, although conviction still looked uneven.

Copper edged back above $13,800/t and traded around $13,818/t, which is an improvement on the repeated failures seen over the last two days. The move is constructive, but the move still looks more like consolidation at the top of the recent range than a clean breakout, so copper still needs to hold above $13,800/t to suggest a stronger upside move is building.

Aluminium recovered modestly to around $3,415/t after Monday's plunge and yesterday's tight $3,350–3,400/t range, but it still looks less convincing than copper. The cash-to-three-month spread narrowed slightly but remains in contango at -6.5, which is an improvement on yesterday's looser nearby structure but still does not point to any renewed tightness in the prompt market.

Lead extended above $1,980/t to around $1,982/t and continues to grind firmer, while zinc rebounded towards

$3,592/t after yesterday's softer close near $3,565/t, suggesting some of that earlier loss of momentum has stabilised.

Overall, the complex has improved at the margin, but the price charts still show a selective recovery rather than a fully convincing bullish turn. Copper is trying to re-establish leadership, aluminium is only partially repairing the damage, and the broader move still needs confirmation from more consistent upside across the complex.

Precious Metals

Precious metals were relatively flat, with both gold and silver holding near the upper end of the recent range.

Gold traded around $4,355/oz, staying broadly steady after the strong recovery seen since last week's lows. Silver hovered around $70.6/oz, also little changed overall, and continued to move sideways just below the recent highs.

All price data is from 17.06.2026 as of 17:30