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THU 25 JUNE 2026 07:30

DAILY BASE METALS REPORT

Energy Relief Meets Dollar Pressure

Summary

- Oil collapse and softer yields ease inflation pressure, but dollar strength keeps markets on the defensive
- Base metals see broad liquidation as the war premium fully unwinds and stops accelerate the move lower
- Precious metals break key supports, with gold below \$4,000/oz and silver down to \$58/oz

Macro

US stocks edged higher after the open as the market stabilised following the previous session's tech-led sell-off, with attention shifting towards upcoming earnings and inflation data. At the same time, the dollar strengthened further, pushing up to 101.8 before easing back slightly below 101.7, reinforcing tighter financial conditions even as yields moved lower.

The US 10-year yield fell sharply towards 4.4%, with the move driven by a combination of weaker oil and a repricing of inflation risk as the situation in the Strait of Hormuz continued to normalise. Brent broke below \$73/bbl for the first time since the start of the Iran conflict, as tanker flows resumed and markets increasingly priced a recovery in supply, reducing the inflation premium embedded in energy.

Lower oil and softer yields would normally support risk, but the stronger dollar is offsetting that effect and keeping markets on the defensive. We see the decline in yields as a reaction to falling energy prices and easing inflation pressure, which is not enough to lift sentiment on its own, so markets are likely to stay cautious unless the dollar also softens.

Base Metals

Base metals came under heavy pressure across the board, with the session developing into a clear liquidation move as lower oil removed the remaining geopolitical premium and flows turned decisively weaker.

Aluminium was one of the cleanest expressions of that shift, falling below \$3,125/t and effectively giving back the entire war-driven move. Prices are now trading below the levels seen before the start of the Iran conflict, which highlights how quickly the market has repriced once energy concerns eased and the narrative shifted from disruption to normalisation.

Copper also weakened aggressively, dropping to the lowest levels in the current move. An increase in volume around \$13,200/t triggered further selling, pushing the price down into the close towards \$13,090/t. That flow suggests a mix of stop-driven selling and fresh short positioning, reinforcing the lack of buying interest at lower

levels and confirming that the market is still in a position-reduction phase.

Nickel saw a sharp early move lower, falling from around \$17,200/t to below \$17,000/t in the morning, likely driven by stop-loss activity as key levels were taken out. The market failed to stabilise after that initial break and continued to grind lower through the session, closing around \$16,850/t.

Overall, the market now looks more exposed on the downside. With the geopolitical premium largely unwound and flows turning more cautious, base metals are trading off macro and positioning dynamics. We see limited support in the near term, and until buying interest returns or the dollar eases, rallies are likely to remain shallow and selling pressure is likely to persist.

Precious Metals

Precious metals sold off sharply, with both gold and silver accelerating lower as the move extended into a full washout. Gold broke below \$4,000/oz and traded down to around \$3,950–3,980/oz, marking a decisive move through a key psychological and technical level. The pace of the decline suggests a combination of long liquidation and stop-driven selling once \$4,000/oz gave way, reinforcing the shift from consolidation into a clearer corrective phase.

Silver underperformed again, falling to \$58/oz and posting a significantly larger percentage decline. The move extends the rejection from the \$70–72/oz area and confirms a more aggressive downside unwind, with little evidence of support emerging as prices moved through the lower end of the recent range.

The driver remains consistent with the broader macro setup. A stronger dollar continues to weigh heavily on the complex, while the sharp drop in yields linked to lower oil has not translated into buying interest. Instead, the move points to positioning adjustment, with the breakdown in key levels triggering further liquidation.

All price data is from 24.06.2026 as of 17:30

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