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DAILY BASE METALS REPORT

Yields Trigger a Broad Metals Sell-Off

Summary

- US equities fell as the 10-year yield moved above 5.26% and DXY held above 101.0.
- Base metals weakened across the board, with copper losing \$14,500/t and nickel extending its decline.
- Gold and silver sold off sharply as the stronger dollar and higher yields accelerated liquidation.

Macro

US stocks opened lower as the renewed Treasury sell-off tightened financial conditions and reduced the appeal of highly valued technology shares. The US 10-year yield moved above 5.26%, while DXY held above 101.0, extending the rates-driven pressure that built last week.

This week's calendar will test whether the rise in yields can extend. JOLTS is due on Tuesday, followed by core PCE and ADP employment on Wednesday, ISM manufacturing on Thursday and nonfarm payrolls on Friday. We expect softer labour or inflation data to provide some relief, but a resilient payrolls report or firm core PCE could reinforce expectations of further Fed tightening and keep the dollar and yields elevated.

Base Metals

Base metals weakened across the board as the stronger dollar and higher yields encouraged further profit-taking. Copper fell through \$14,500/t and traded around \$14,433/t after briefly testing support near \$14,350/t. The recovery from the session low was limited, leaving the near-term tone vulnerable. We see \$14,500/t as the first level copper needs to reclaim, while another loss of \$14,350/t could set the scene for a deeper correction.

Zinc declined to around \$3,856/t after failing to hold its earlier recovery above \$3,900/t, while aluminium fell to approximately \$3,250/t. Aluminium attracted some buying after testing the \$3,225/t area, but the rebound lacked sufficient strength to reverse the wider decline. Lead also weakened towards \$1,907/t and remained close to the session lows.

Nickel extended its downtrend to around \$16,195/t and continues to show the weakest price action in the complex. Tin fell sharply before recovering towards \$53,765/t, but remained well below last week's highs. We expect the complex to remain exposed while DXY stays above 101.0 and yields remain above 5.2%. Softer US data could support a technical rebound, although copper must reclaim \$14,500/t and zinc \$3,900/t to confirm that the correction is stabilising.

Precious Metals

Precious metals sold off sharply as the stronger dollar and surge in Treasury yields triggered broad liquidation. Gold fell from above \$4,270/oz to around \$4,122/oz, with only a limited rebound after testing the \$4,110/oz area.

The decisive loss of \$4,200/oz weakens the near-term structure, and gold now needs to reclaim that level to stabilise. Failure to do so could bring \$4,100/oz back under pressure.

Silver underperformed, falling from above \$64/oz to around \$61.06/oz. The metal briefly attempted to recover towards \$61.80/oz but quickly gave back the move, showing that buyers remain cautious. We see silver as particularly vulnerable while it remains below \$62/oz, with the combination of tighter financial conditions and weaker base metals adding to the pressure.

This week's PCE and labour-market releases will be decisive for both metals. Softer data could pull yields lower and encourage buyers to return, but further evidence of US resilience would likely keep gold and silver under pressure.

All price data is from 28.09.2026 as of 17:30

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