Metals dashboard

Trump tariff turbulence starting to fade

BASELINE VIEW - PRECIOUS METALS: Gold prices have steadied following a strong first few months of the year. However, the bullish drivers remain, with gold needing a new catalyst to push it out of the current trading range. Meanwhile, silver prices have soared in recent weeks, and while supportive factors remain, there is the risk of a sharp pullback.

BASELINE VIEW—INDUSTRIAL METALS: Industrial metals have experienced heightened volatility as focus has been directed on Trump's trade policies. The base case remains that new trade deals will be reached soon to remove some uncertainty from the market. Then, focus will turn to fundamentals which remain relatively bullish given supply concerns across multiple metals markets, and resilient demand.

Precious metals

Spot Benchmark prices

	Latest	1m ago	6m ago	12m ago	12m avg
Gold	3340.28	3323.75	2909.99	2741.98	2985.5
Silver	37.964	35.9036	32.6231	33.695	32.5478
Palladium	1196.93	1066.17	942.392	1218.58	987.487
Platinum	1374.76	1316.7	966.601	1033	1023.61
Iridium	4440	4315	4240	4640	4323.02
Rhodium	5740	5415	5040	4690	5062.42

Gold

After such a strong start to the year, gold prices have seemingly lost a bit of momentum in recent weeks. Spot gold has struggled to hold any gains above the $3,400 per oz level, with sharp changes in market sentiment regarding US President Trump's trade agenda, and shifting expectations of Fed rate cuts keeping prices rangebound between $3,400 and $3,200. This period of consolidation is not at all surprising and is likely a reset following the rally earlier in the year. Nevertheless, the outlook remains bullish amid factors such as continued ETF inflows, central bank buying as part of reserve accumulation, and expectations for the US dollar to weaken further. Upside volatility may, however, ease compared to what was seen in the first half of the year.

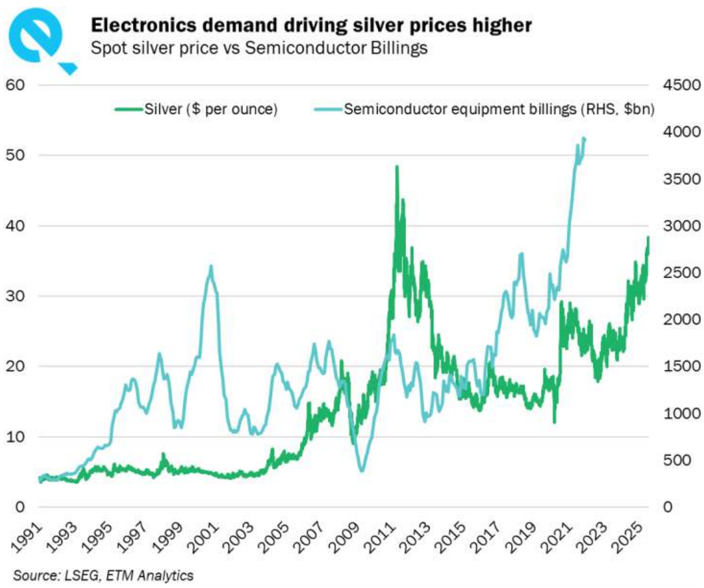
Physically backed gold ETFs have seen inflows recorded in five of the first six months of 2025 and in nine of the past twelve months through June. This sustained demand signals a clear reversal of the multi-year outflow trend, suggesting renewed investor confidence in gold as a strategic asset.

Despite this positive momentum, total global ETF gold holdings remain about 18–19% below their late 2020 peak, indicating considerable room for further accumulation. This ongoing financial demand is likely to support higher gold prices by either rationing demand from other sectors or encouraging increased recycling activity, reinforcing the bullish outlook for the metal in the second half of 2025.

ETM View: In the near term, gold may continue to consolidate as the harshest phase of the trade war seems to be behind us, and the impact of what has transpired so far begins to be felt. ETF inflows and central bank may also slow compared to the pace seen previously, but remain largely supportive. Therefore, prices may hold between $3,200 and $3,400 per ounce over the rest of the quarter.

Silver

Silver has been one of the breakout assets of the post-Liberation Day global market, rising by more than 12 % since US President Trump first announced his tariffs and trade plans. This strong appreciation has been driven by increased industrial demand amid record-setting semiconductor demand, leading to tightening supply and a short squeeze as most supply is held by ETFs. Spot prices are currently near $38.30 per ounce, not far off the 14-year highs reached earlier this month of $39.1320.



Going forward, most analysts expect that silver prices will remain buoyant. Silver buying, including demand from industrial users, is projected to remain strong, keeping the market deficit entrenched. China is responsible for roughly 30% of the world's silver consumption, and is showing signs of economic revival.

ETM View: Given supportive fundamentals, silver prices may manage to hold onto recent gains over the coming months. While the rally has taken it to overbought territory, the downside risks facing the market have not shown any signs of materialising. That said, a sharp shift in sentiment toward silver could see prices snap back with notable volatility given the scale of the recent rise.

Platinum and Palladium

Platinum surged by nearly 29% in June, briefly reaching its highest level in over a decade. This rally was driven by expectations of a widening supply deficit, constrained global supply chains, and robust demand, particularly from China, where imports hit a 12-month high. The elevated cost of borrowing platinum, which remained high at over 10%, signalled persistent market tightness despite easing from a peak above 20%. Strong demand along with an arbitrage opportunity spurred the movement of approximately 500,000 ounces into US warehouses, partly due to fears of US tariff policies under President Donald Trump.

ETM View: Given expectations for another structural deficit this year, the outlook for platinum is bullish, albeit with greater volatility expected. Spot prices are currently just under the $1400 per oz level, but the coming months should see this level tested and possibly breached, which will clear the path to June highs of $1435 per ounce.

Base metals

Industrial Metals — **3m LME Benchmark prices**

	Latest	1m ago	6m ago	12m ago	12m avg
Copper	9613	9878	9528.5	9738.5	9374.96
Tin	33310	33762	32661	32349	31586.1
Lead	1989.5	2044	2048.5	2028	1991.54
Zinc	2687	2779	2856.5	3103.5	2822.19
Aluminium	2572.5	2595	2694	2660	2555.89
Nickel	15070	15245	16551	16123	15601.5
Aluminium Alloy	2509	2509	2459	2255	2360.07
NA Aluminium Alloy	2400	2400	2400	2450	2411.02

Spot vs 3m difference

	Current	Δ Month	12m Min	12m max	12m avg
Copper	-33	-273.67	-144.04	319.83	-32.0977
Tin	-115	-235.01	-323	264	-118.627
Lead	-31.9	-9.76	-44.37	5.95	-25.4785
Zinc	-9.95	-9.71	-53.6	16.59	-25.2809
Aluminium	-1.48	-1.7	-44.07	38.37	-12.0131
Nickel	-210.81	-25.52	-258.1	-166.2	-211.636

Stockpiles at LME Warehouses in tonnes

	Current	Δ Month	12m Min	12m max	12m avg
Copper	110475	19850	90625	273100	215339
Tin	1980	-195	1970	4970	3565.41
Lead	271075	-850	185225	295825	247187
Zinc	118600	1125	105250	278850	180231
Aluminium	416975	71225	336900	736900	515600
Nickel	206580	2574	147258	206580	186264

Copper

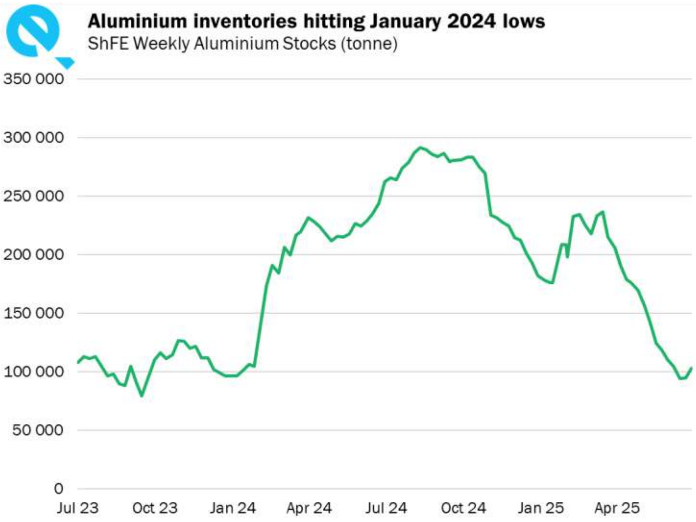
The global copper markets were jolted earlier this month when US President Trump announced a potential 50% tariff on imports of the metal into the US. Unsurprisingly, COMEX copper prices surged and saw the spread over LME prices widen to a record as traders rushed to get copper into the States ahead of the implementation of the tariffs.

This shift supported LME prices initially, but we have since seen the market correct to some degree, with 3-month benchmark prices currently around $9620 per ton. This is an important technical level as it has provided support since breached at the end of May, and currently coincides with the 50DMA and 100DMA support levels.

Interestingly, the initial spike in demand for copper in the US has now faded and, many plan to drawdown from existing stockpiles rather than place new orders. Companies fear potential future changes to tariff rates could leave them holding overpriced stock. This uncertainty could impact demand over the short-term, and potentially cap global prices.

ETM View: The copper market is likely to remain volatile over the short-term, with uncertainty over Trump's tariffs and if they will be altered or implemented at all. Barring any new developments, prices on the COMEX and LME exchanges may normalise. Over the medium to longer-term, the outlook remains bullish given copper's role in future infrastructure development.

Aluminium



Source: LSEG, ETM Analytics

Aluminium prices hit a 3-month high of $2,645 per ton in June, up 4% for the month, supported by Middle East tensions, especially fears over disruption to the Strait of Hormuz, which handles 6% of global supply, and US import tariffs which doubled to 50%, pushing up US Midwest Premiums. Prices have since stabilised with the benchmark 3-month LME contract at just below $2,600 currently.

Demand for aluminium has been relatively robust, with worldwide consumption at 5.86mn tonnes in April, according to preliminary data. In China, demand was in line with seasonal norms despite ongoing tariff-related uncertainties, reflected in continued inventory drawdowns. Demand in the US is also expected to improve over the coming months as any pent-up demand may emerge if the tariff and global trade situation stabilises.

ETM View: Aluminium prices are expected to remain supported by geopolitical risks, tariff-driven trade shifts, and low inventories. Of course, near-term price movements will depend on tariff resolutions, developments in the Ukraine-Russia war, and any disruptions to key shipping routes. However, the fundamental picture currently remains bullish, which will keep prices supported around $2,600 - $2,700.

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