Metals dashboard

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ETM ANALYTICS

Markets starting to find balance after tariff turbulence

BASELINE VIEW - PRECIOUS METALS: Tightening supply should keep PGM prices elevated, given little progress seen in alleviating output constraints in key producer South Africa. Meanwhile, gold should remain supported amid robust fundamentals, but lack the strong bullish momentum that was seen in the earlier stages of this year.

BASELINE VIEW - INDUSTRIAL METALS: Following the most recent tariff developments, rebalancing is expected across several key markets. As inventories and trade flows shift, the support prices received from speculative positioning should fade. Slowing economic momentum in China poses a further headwind, although this may be cushioned by expectations for a weaker USD through the final stages of this year.

Precious metals

Gold

We noted last month that, after such a strong start to the year, gold prices have seemingly lost a bit of momentum. This remains the case with the metal keeping to its recent ranges and struggling to hold any gains above the $3,400 per oz level.

Spot Benchmark prices

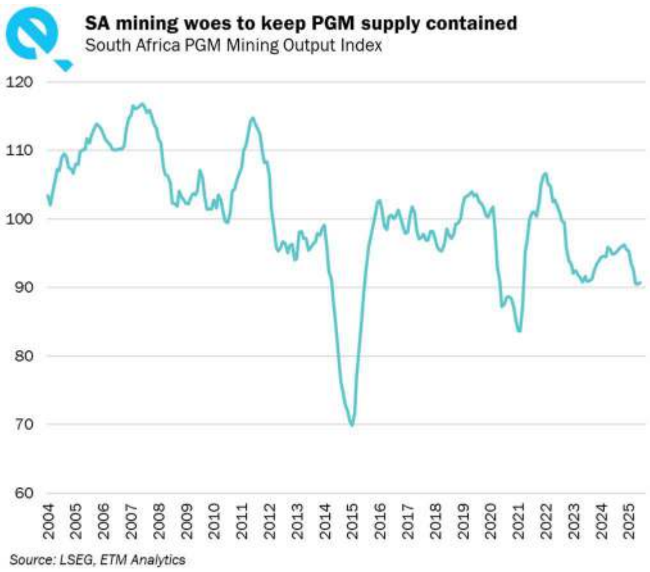
	Latest	1m ago	6m ago	12m ago	12m avg
Gold	3324.09	3326.31	3173.92	2638.93	3076.93
Silver	36.99	38.195	31.196	30.5021	33.433
Palladium	1101.68	1258.56	908.632	981.396	1009.44
Platinum	1311.25	1395.03	938.049	946.8	1076.19
Iridium	4690	4440	4240	4540	4318.63
Rhodium	7565	6740	5290	4565	5347.44

Interestingly, major global institutions and banks are still upgrading their gold price forecasts, with UBS, Citi, Goldman, and Fidelity all citing Fed rate cuts, dollar weakness, sticky inflation, and strong central-bank buying as reasons for continued strength. However, these factors have been well known since 2022 and are likely already priced in, leaving little fresh impetus for further gains.

Despite central banks adding over 1,000 tons annually and ongoing geopolitical and fiscal risks, gold has been stuck between $3,300–$3,500 since April's record above $3,500. Hedge funds have cut positions, options flows show weak conviction, and without a new catalyst, gold may remain range-bound.

ETM View: Spot gold prices are likely to remain fairly rangebound over the coming weeks, staying with the trend. Fundamentals remain very supportive, but these have been in place for multiple years now, and thus, a new catalyst is needed to spark renewed optimism within the gold market.

Platinum and Palladium



After a strong June and the first half of July, spot platinum prices have come under a bit of pressure, dropping from highs of $1,485 per oz to just over $1,320 per oz currently. Easing concerns over trade disruptions and geopolitical conflicts have improved the outlook for supply marginally, pushing some to close out some of their long positions, which has weighed on the spot price. However, platinum fundamentals remain supportive. Output from top producer South Africa is forecast to drop 4% in 2025 compared to the prior year, while subdued recycling continues to tighten supply.

While supply concerns persist, demand has seen some positive developments. Chinese imports hit a record in Q2 this year, effectively draining available supply from traditional trading hubs and keeping prices bolstered. Furthermore, we are seeing lease rates soar, rising to as high as 40% annualised in recent weeks.

ETM View: Platinum futures are experiencing the deepest backwardation in over 20 years across the entire futures curve, indicating very tight market conditions and high demand for near-term physical delivery. The current supply constraints affecting the market have also shown very little sign of resolution, indicating that this tightness is likely to persist. Therefore, the outlook for platinum remains fairly bullish, albeit with volatile trading likely. Over the near term, the $1400 per oz level will be a key target for the bulls again.

Base metals

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

	Latest	1m ago	6m ago	12m ago	12m avg
Copper	9686	9630.5	9187	9216.5	9459.76
Tin	33840	33378	31279	29776	32155.9
Lead	1974.5	1971.5	1916.5	2064.5	1986.36
Zinc	2770.5	2727	2636	3135	2791.6
Aluminium	2567	2566	2374	2608.5	2554.81
Nickel	14950	14987	15307	15715	15494.2
Aluminium Alloy	2509	2509	2509	2255	2395.07
NA Aluminium Alloy	2400	2400	2400	2450	2404.13

Spot vs 3m difference

	Current	Δ Month	12m Min	12m max	12m avg
Copper	-93	-43.75	-125.8	319.83	-24.3976
Tin	81	81.5	-323	264	-85.4712
Lead	-41.8	-0.75	-47.86	5.95	-25.8639
Zinc	-10.26	0.7	-53.6	4.75	-24.8791
Aluminium	-3.59	-0.97	-44.07	38.37	-8.09291
Nickel	-205.19	-12.4	-235.4	-166.2	-206.788
Aluminium Alloy	0	0	-1.5	125	22.3654
NA Aluminium Alloy	0	0	0	0	0

Stockpiles at LME Warehouses in tonnes

	Current	Δ Month	12m Min	12m max	12m avg
Copper	155150	15575	90625	272825	197691
Tin	1630	-270	1630	4970	3161.56
Lead	282950	8725	200050	295825	250394
Zinc	72200	-24800	72200	274950	157324
Aluminium	479525	15800	336900	677600	482019
Nickel	209328	246	160536	212232	193197
Aluminium Alloy	1500	0	1500	1640	1560.63
NA Aluminium Alloy	220	0	220	220	220

Copper

The global copper market has seen some unprecedented volatility. Earlier in the year, U.S. copper imports surged 129% year-on-year as buyers front-loaded purchases ahead of President Trump's tariffs, creating an unprecedented inventory build-up. Chinese demand also rose more strongly than expected. As such, copper's fundamentals tightened but left inventories highly imbalanced.

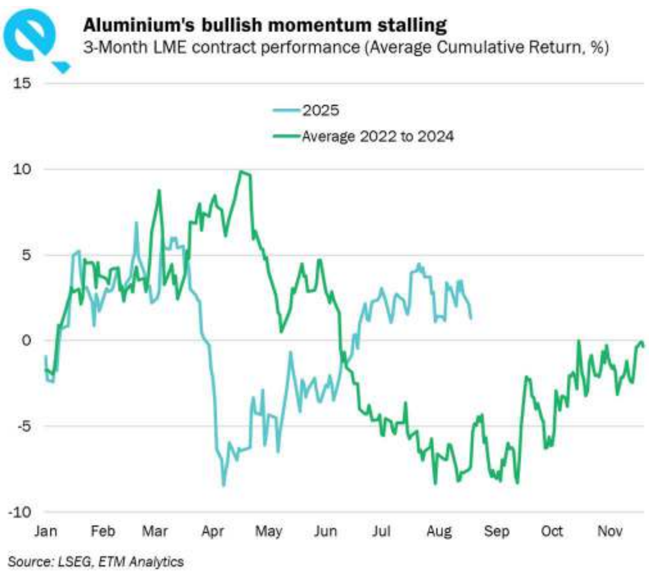
This imbalance and high level of uncertainty led to a massive plunge in US copper prices at the end of July, after President Trump announced a scaled-back tariff plan. Instead of covering refined copper, the new duty now applies only to semi-finished products such as pipes and wires, which account for less than 10% of U.S. imports. This collapsed the COMEX premium over LME copper from record highs of $2,580/t to just $250/t, closing the arbitrage window.

This also means that trade flows are to rebalance, with the excess inventories in the US now likely to be re-exported, which will replenish LME inventories, help spreads normalise again, and potentially weigh on prices.

ETM View: The copper market is expected to rebalance and normalise. We have seen the start of this already, but the downside pressure on prices could build given an economic slowdown in China that will weigh on demand. Benchmark prices on the LME may, therefore, struggle to rise back above $9,800 per ton sustainably, and could target levels closer to $9,400 in the near term.

Aluminium

Aluminium prices hit highs of over $2,660 per ton on the LME toward the end of July, but have since seen some volatile trading as the market continues to digest new developments with regard to US tariffs, as well as this week's progress toward a possible ceasefire in the Russia-Ukraine conflict. The Trump administration has added a further 400 products to its steel and aluminium tariffs list, while optimism has increased regarding a de-escalation between Russia and Ukraine. As such, the market is pricing in a slightly softer demand outlook, coupled with a potentially improved supply situation. Therefore, we have benchmark prices on the LME down to $2,656 for the 3-month contract, nearing the lows reached at the start of the month.



The impact of the tariffs has already been fairly notable. US primary aluminium imports fell sharply in Q2 2025, even before the latest round of products was added to the tariffs list. Total imports declined 19% year-on-year in the quarter, with first-half volumes down 3%. To fill the gap, the US manufacturers are also turning more to recycled aluminium, which is exempt from tariffs. Scrap imports surged nearly a third in H1 2025 to around 424k tons

ETM View: As geopolitical risks appear to be subsiding, and tariff-driven trade shifts alter the supply landscape, aluminium prices may continue to lose some of the bullish momentum seen earlier this year. Of course, near-term price movements will depend on any tariff resolutions or new developments in the Ukraine-Russia war. Fundamentals remain partially supportive of prices, but the picture is shifting. Downside momentum may begin to build over the near term, and benchmark LME prices could return to levels closer to $2,500 per ton.

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