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# Daily Base Metals Report

US stocks dropped today as the US and China trade relationship tensions re-emerge after Pres. Trump stated that he plans to scale back America's reliance on the country. Additional statements involved promises of punishment for American companies that will decide to create jobs overseas. Investors sought to the dollar, causing the index gain to 93.289. In the UK, the stocks trended lower, and the pound weakened as Boris Johnson said that he 'will not back down' on Brexit negotiations with the EU. Emerging market stocks were also lower due to rising coronavirus cases in the region.

Metals prices were weaker today due to increased China-US tensions. Nickel prices sold off to test appetite at \$14,700/t, but support at that level triggered a close at \$14,888/t. Zinc saw the strongest selling today, down 3.71%, closing at the day's lows at \$2,417/t. For immediate delivery, zinc traded at the biggest discount to 3m contract since 2013. Aluminium remained under pressure, closing at \$1,792/t, and the cash to 3m spread widened slightly into -\$38.45/t. Copper tested the \$6,650/t level in the second half of the day and closed near day's lows at \$6,668/t.

Oil futures plunged, as Abu Dhabi cut its official crude oil pricing for October. At the time of writing, WTI and Brent trade at \$36.38/bl and \$39.51/bl. Gold and silver were lower on the day, edging down to \$1,930.80/oz and \$26.59/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1796	1802	1775	1792	1798	11043	776396	-38.45	81.42
Copper	6779	6811	6641	6668	6792	15921	328558	27.25	303.75
Lead	1971	1973	1902	1903.5	1973	6321	112442	-28.00	86.77
Nickel	15195	15310	14675	14888	15200	11032	220078	-30.00	676.54
Tin	18255	18345	17925	18046	18280	333	18570	-18.00	818.06
Zinc	2508	2508	2415	2417	2508	12412	223424	-29.25	109.97
					<b>Total:</b>	<b>57062</b>	<b>1679468</b>		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	1744	1783	1868.4	1929	1759.62	1797.5		1760.58	1797.92
Copper	6767.5	6736	6646.5	6626.5	6810.75	6789		6726.08	6706.67
Lead	1925	1952.5	1991.5	2023.5	1945.5	1971		1945.58	1971.42
Nickel	15090	15132	15352	15562	15141.75	15186		15323.00	15359.83
Tin	18215	18230			18314	18330		18243.33	18229.33
Zinc	2425.5	2453.5	2495	2525	2478.5	2509.5		2487.58	2515.50

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1533625	0	4200	-4200	1529425	221425	1308000	Comex, USc/lb		
Copper	77550	1400	2400	-1000	76550	28325	48225	Jan-00	0	0
Lead	123525	0	225	-225	123300	17625	105675	Jan-00	0	0.00
Nickel	236508	36	84	-48	236460	58218	178242	Shanghai, CNY/mt		
Tin	5340	200	10	190	5530	245	5285	00-Jan	0	0.00
Zinc	219875	0	100	-100	219775	3750	216025	00-Jan	0	0.00

#### Global Markets

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	12968	-1.01	GBP	1.31	-0.88	Gold	1936.02	0.12	1928.4	1928.45
DJI	27726	-1.45	JPY	105.88	0.37	Silver	26.72	-0.40		2683
S&P500	3358	-2.00	EUR	1.18	-0.12	Gold Comex	1940.6	0.33		
SSE	3316	0.72	CNY	6.85	-0.23	Platinum	914.3	0.36		
Hg Seng	24624	0.14	AUD	0.72	-0.51	Palladium	2278.17	-1.10		
Brent	40	-4.62	RUB	76.28	-0.67					

Source: Bloomberg  
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