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Daily Base Metals Report

US stocks edged higher, as investor confidence improved, however, remained on track for a weekly decline. US inflation accelerated in August, growing by 1.3% y/y, above market expectations, partly supported by gains in used cars. In the latest round of trade talks, China retaliated, targeting US diplomats in China, after the recent limit by the Trump administration towards the Chinese diplomats. In the UK, new daily cases of COVID-19 are spreading rapidly, with the R number rising above 1 for parts of the country. The UK economic output surged 6.6% m/m in July, boosted by restaurant activity, however, risks of rising job losses could threaten long-term recovery.

The sentiment on the LME was tentatively positive, only with aluminium closing down on the day at \$1,775/t. Copper prices were well supported and tested resistance at \$6,750/t on falling stockpiles, closing just off the highs at \$6,739/t. Nickel was under pressure in the first half of the day but strengthened, later on, testing the resistance level of \$15,100/t, to close at \$15,094/t. Nickel cash to 3m spread tightened further to -\$45.01/t. Zinc and lead consolidated, closing at \$2,471/t and \$1,889.50/t respectively. Iron ore was higher on the day, closing at CNY828.50/mt.

Oil futures were range-bound, with WTI and Brent trading at \$37.54/bl and \$40.08/bl. Precious metals traded higher, edging up to \$1,948.98/oz and \$26.91/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1779	1790	1773	1775	1778	8624	782959	-38.05	80.60
Copper	6611	6756	6589	6739	6633	13343	323855	31.25	306.00
Lead	1874	1903	1871	1889.5	1874	3992	111025	-29.00	85.64
Nickel	14800	15135	14630	15094	14805	6753	223432	-44.75	685.39
Tin	18015	18155	17835	18102	17975	260	18419	-7.00	818.52
Zinc	2400	2480	2394	2471	2398	8339	225711	-22.75	112.31
					Total:	41311	1685401		

Official Prices	Monthly Avg							
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	1746.5	1785.5	1853.7	1940.5	1752.1	1789.5	1754.83	1792.39
Copper	6757.5	6729	6714.75	6695.75	6690	6668.5	6725.94	6703.83
Lead	1869	1900	1937.5	1969.5	1854.64	1882.5	1921.06	1947.39
Nickel	14935	14967	15187	15401	14784.5	14832	15160.22	15197.22
Tin	17885	17925			17998	18000	18146.22	18142.89
Zinc	2428.5	2451	2495	2525	2391.5	2416.5	2458.17	2485.06

LME Stocks (tonnes)	Other Copper Markets									
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1524075	0	3425	-3425	1520650	223650	1297000	Comex, USc/lb		
Copper	75975	525	950	-425	75550	36625	38925	SEP 20	303.5	1.61
Lead	131750	0	525	-525	131225	17375	113850	DEC 20	305	1.72
Nickel	237162	0	24	-24	237138	58272	178866	Shanghai, CNY/mt		
Tin	5540	0	0	0	5540	300	5240	00-Jan	0	0.00
Zinc	219725	0	25	-25	219700	3775	215925	00-Jan	0	0.00

Global Markets		Currencies		Precious Metals			Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	13203	-0.05	GBP	1.28	-0.13	Gold	1948.91	0.14	1944.8	1966.25
DJI	27771	0.86	JPY	106.17	-0.04	Silver	26.94	0.23		2710.5
S&P500	3354	0.44	EUR	1.18	0.20	Gold Comex	1957.9	-0.33		
SSE	3260	0.79	CNY	6.83	0.00	Platinum	938.44	0.83		
Hg Seng	24503	0.78	AUD	0.73	0.33	Palladium	2343.23	1.85		
Brent	40	0.37	RUB	75.00	0.29					

Source: Bloomberg
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