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Daily Base Metals Report

US stocks rose today on hopes that the Fed will maintain its ultra-loose policy stance as it aims to lift the economy out of the recession. US homebuilder optimism rose to a record of 83 in September, as low mortgage rates drove the housing demand. US retail sales rose 0.6% m/m in August, below estimates. Meanwhile, the House Speaker Nancy Pelosi doubled down on her effort to get the White House to agree on a \$2.2trn package. The dollar edged lower to 92.987, and the yield on 10yr US Treasury softened into 0.6691%. In the UK, Boris Johnson stated that labs do not have enough capacity to cope with testing demand; however, promised to set appropriate measures soon.

LME metal prices were on the front foot today, apart from lead, which closed lower on the day at \$1,894/t. Zinc prices were well supported and tested resistance at \$2,540/t and closed just off the highs at \$2,528/t. Tin was well bid in the second half of the day, testing the resistance level of \$18,335/t, before closing below at \$18,275/t. Copper prices remained supported above \$6,740/t before closing at \$6,777/t; the cash to 3-month spread tightened to \$16.50/t. SHF copper prices, however, softened, closing at CNY51,810/mt. Nickel and aluminium were range-bound but closed higher on the day at \$15,226/t and \$1,795.50/t respectively.

Oil futures rose today as shrinking US stockpiles offset the concerns of oversupply. At the time of writing, WTI and Brent trade at \$39.88/bl and \$42.02/bl. Precious metals climbed as investors awaited the news from the Fed, with gold and silver edging up to \$1,965.23/oz and \$27.32/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1793	1805	1790	1795.5	1794	9874	787644	-39.35	81.26
Copper	6751	6794	6735	6777	6758	9501	326929	16.40	307.38
Lead	1911	1921	1887	1894	1910	3333	111973	-26.50	86.14
Nickel	15235	15305	15075	15226	15240	4945	218289	-53.50	691.06
Tin	18165	18335	18165	18275	18225	172	16794	-30.00	827.81
Zinc	2503	2539	2496	2528	2503	7002	222986	-21.40	114.69
					Total:	34827	1684615		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	1759	1798	1871.5	1950	1750.25	1789.5		1755.71	1793.63
Copper	6776	6757	6750	6732	6777.75	6761.5		6742.58	6721.17
Lead	1883.5	1912	1949	1980	1881.25	1908		1913.00	1939.75
Nickel	15160	15183	15397	15606	15147	15198		15159.17	15197.08
Tin	18245	18266			18178	18209		18152.17	18154.25
Zinc	2505	2526	2568	2598	2474.75	2496.5		2465.54	2491.04

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1513925	0	3525	-3525	1510400	259225	1251175	Comex, USc/lb		
Copper	78550	1050	700	350	78900	31900	47000	SEP 20	305.95	-0.11
Lead	130350	6875	550	6325	136675	15700	120975	DEC 20	306.4	0.03
Nickel	237180	240	144	96	237276	58038	179238	Shanghai, CNY/mt		
Tin	5560	30	0	30	5590	455	5135	00-Jan	0	0.00
Zinc	219700	0	75	-75	219625	11750	207875	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	13255	0.29	GBP	1.30	0.75	Gold	1965.87	0.60	1963.55	1949.35
DJI	28200	0.73	JPY	104.94	0.48	Silver	27.33	0.72		2754.5
S&P500	3418	0.49	EUR	1.18	-0.12	Gold Comex	1975.5	0.47		
SSE	3284	-0.36	CNY	6.75	0.41	Platinum	978.46	0.54		
Hg Seng	24726	-0.03	AUD	0.73	0.41	Palladium	2405.28	0.16		
Brent	42	4.05	RUB	74.91	0.13					

Source: Bloomberg
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