

Authors

Geordie Wilkes
Head of Research

WED 14 OCTOBER 2020 17:30

Daily Base Metals Report

Stocks fluctuated today amid continued uncertainty surrounding the stimulus bill talks. The Fed's Thomas Barkin stated that a surge in new daily coronavirus cases in the US has added uncertainty to the outlook and might discourage businesses from investment. The dollar declined to 93.319 and the yield on 10yr US Treasuries weakened out to 0.7173%. In the UK, the trade talks with the EU are likely to continue past Boris Johnson's deadline of October 15, delaying the decision until EU summit ends. Russia approved the second COVID-19 vaccine for public use, President Putin stated in televised comments today.

Activity on the LME was mixed today with only aluminium and lead closing lower. Nickel continues to be well bid, but failed above \$15,350/t and closed at \$15,341/t. Copper was slightly firmer, supported by the strikes in Chile, and managed to close just above the support level at \$6,716/t. Zinc and tin prices were marginally stronger on the day, closing on the front foot at \$2,417/t and \$18,300/t respectively. Aluminium edged lower down to the support level at \$1,844/t and closed higher at \$1,852/t; cash to 3-month spread widened out to -\$15.00/t.

Oil futures advanced on dollar slide, with WTI and Brent edging up to \$40.98/bl and \$43.17/bl respectively. Precious metals finished the day on the front foot; at the time of writing, gold and silver trade at \$1,906.15/oz and \$24.37/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1852	1859	1844	1852	1853	10907	795007	-17.00	84.01
Copper	6691	6748	6684	6716	6686	11071	313226	-13.50	303.80
Lead	1795	1806	1783	1795	1803	3087	111384	-17.00	80.97
Nickel	15045	15360	14985	15341	15040	5923	223434	-45.50	695.59
Tin	18330	18335	18235	18300	18245	138	17547	-18.00	830.08
Zinc	2410	2433	2406	2417	2409	5867	219829	-16.25	109.73
Total:						36993	1680427		

Official Prices					Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	1836	1853.5	1906.5	1969	1843.5	1858	1776.10	1799.90
Copper	6702	6715.5	6717.5	6744.5	6681.75	6692	6608.75	6618.70
Lead	1771.5	1789.5	1829	1859	1788.6	1801.5	1783.30	1799.65
Nickel	15105	15152	15336	15534	14991.5	15040	14742.00	14784.40
Tin	18225	18285			18241.68	18255	18047.60	18050.70
Zinc	2398	2416.5	2457	2489	2399.5	2417	2368.95	2387.05

LME Stocks (tonnes)								Other Copper Markets	
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1412600	4775	5250	-475	1412125	285825	1126300	Comex, USc/lb	
Copper	153200	17700	975	16725	169925	48000	121925	DEC 20	304.5 0.02
Lead	131800	0	650	-650	131150	18525	112625	MAR 21	305.4 0.08
Nickel	236934	246	24	222	237156	58338	178818	Shanghai, CNY/mt	
Tin	5305	0	0	0	5305	1000	4305	00-Jan	0 0.00
Zinc	217225	1000	225	775	218000	6600	211400	00-Jan	0 0.00

Global Markets		Currencies		Precious Metals			Previous Day's Fix	
Last	% Change	Last	% Change	Last	% Change	AM	PM	
DAX	13028	0.07	GBP	1.30	0.58	Gold	1920.8	1891.30
DJI	28487	-0.67	JPY	105.12	0.34	Silver	24.19	2493.5
S&P500	3492	-0.56	EUR	1.17	0.01	Gold Comex	1906.8	
SSE	3341	-0.56	CNY	6.72	0.47	Platinum	859.6	
Hg Seng	24667	0.07	AUD	0.72	-0.07	Palladium	2341.42	
Brent	43	1.63	RUB	77.73	-0.88			

Source: Bloomberg
Updated: 14/10/2020 17:25

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).