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Daily Base Metals Report

US stocks opened lower today, following last week's rally that marked the longest weekly gain of the year. The 10-year US Treasury yield surged, nearing 4.16%, as signs of robust economic performance and softening inflation have led markets to believe the Fed may not need to ease monetary policy as aggressively as previously expected. After last Friday's losses, the dollar index rebounded, rising to 103.8. This week, all eyes are on the upcoming S&P Global Manufacturing PMI data, which will provide insights into factory activity across major economies and help investors assess the strength of the industrial sector globally.

The base metals market followed a similar pattern to last week, with an initial boost in confidence due to China's support measures followed by a decline in the second half of the day. On Monday, Chinese banks lowered their benchmark lending rates following the easing by the PBoC at the end of September. We expect that more easing measures will follow in the coming months. Still, these moves underscore investor scepticism regarding the near-term recovery in the region's construction segment. The complex has not priced in any geopolitical or political risks, thereby placing greater emphasis on China and the decisions its government will make in the coming weeks. In the meantime, aluminium and copper remained largely unchanged day-on-day, at \$2,595/t and \$9,559/t, respectively. Nickel and tin continued to soften to their averages, closing at \$16,705/t and \$31,016/t.

Despite the stronger dollar and rising Treasury yields, precious metals managed to advance. Gold set new record highs, climbing to \$2,725/oz, while silver briefly rose above \$34/oz before settling at \$33.7/oz. Oil prices edged up, with WTI and Brent crude trading at \$69.9/bbl and \$73.7/bbl, respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2616	2657	2592	2595	2614	16835	651040	-35.00	117.71
Copper	9646	9758	9550	9559	9623	16459	275938	-133.00	433.73
Lead	2066	2086	2066	2056.5	2070	3117	148182	-38.00	93.74
Nickel	17030	17135	16650	16705	17000	5043	207505	-255.00	756.37
Tin	31550	31640	30980	31016	31300	496	19397	-270.00	1407.06
Zinc	3091	3145	3063	3075.5	3089	9685	252475	13.68	139.39
					Total:	51635	1554537		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2582.5	2617.5	2696.74	2746.74	2578.59	2612	2587.833333	2606
Copper	9592.5	9717	9941.15	10080.4	9503.03	9625.5	9608.933333	9750.2
Lead	2035	2075	2179.46	2219.46	2034	2072	2052.666667	2097.466667
Nickel	16715	17025	17616.28	18291.28	16643.45	16897	17307.33333	17582.33333
Tin	31395	31600			31063	31313	32808.66667	32900
Zinc	3123	3115	3069.57	2913.32	3103.18	3089.5	3080.8	3097.7

LME Stocks (tonnes)							Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	760350	0	2500	-2500	757850	355225	402625	Comex, USc/lb	
Copper	284200	0	2000	-2000	282200	20175	262025	DEC 24	438.45
Lead	194475	0	1100	-1100	193375	9450	183925	MAR 25	443.3
Nickel	134370	492	270	222	134592	10224	124368	Shanghai, CNY/mt	
Tin	4770	15	25	-10	4760	245	4515	01-Nov	77350
Zinc	239025	0	1850	-1850	237175	28050	209125	01-Dec	77410

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	19464	-0.98	GBP	1.2984	-0.5210	Gold	2723.78	0.0852	2711.6
DJI	42892	-0.89	JPY	150.3400	-0.5388	Silver	33.70	-0.0392	3212.5
S&P500	5829	-0.61	EUR	1.0825	-0.3865	Gold Comex	2738.3	0.304	
SSE	3268	0.20	CNY	7.1196	-0.2430	Platinum	1010.63	-0.4609	
Hq Seng	20478	-1.57	AUD	0.6657	-0.7307	Palladium	1052.75	-2.8909	
Brent	74	1.05	CAD	1.3846	-0.3394				

Source: Bloomberg
Updated: 21/10/2024 17:30

All price data is from 21.10.2024 as of 17:30

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