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# Daily Base Metals Report

US stocks rallied today, hitting a one-month high, on the hopes of progress in developing a coronavirus vaccine. Both industrial production and empire manufacturing activity improved in June, up 5.4% m/m and up to 17.2, respectively, aiding the rally. The dollar weakened to a one-month low, and 10Y yield of Treasuries softened. The People's Bank of China trimmed liquidity as concerns over asset bubble grow, signalling the government's cautious approach to post-COVID recovery. The UK to set a ban on Huawei from country's 5G network, as it poses an "unsafe security risk".

Sentiment on the LME was weaker today, with only zinc and lead marginally higher. Aluminium was well supported today, however, lost ground in the second half of the day, closing above the new-found support level of \$1,680.00/t at \$1,683.50/t. Nickel prices were supported below \$13,500.00/t and closed at \$13,528.00/t. Copper came under strong selling pressure, closing near the day's lows at \$6,386.00/t. Aluminium cash to 3-month spread widened to -\$32.00/t contango, and tin tightened to -\$8.00/t. Lead and zinc remained mostly range, closing marginally higher on the day, at \$1,844.50/t and \$2,200.50/t respectively.

Oil gained after a report pointed to a drop in US stockpiles, but gains remain capped as OPEC+ is set to ease cuts, with WTI and Brent up to \$40.71/bl and \$43.34/bl respectively. Gold and silver were higher on the day, trading at \$1,810.93/oz and \$19.32/oz at the time of writing.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1683	1692	1674	1683.5	1683	10955	819534	-32.00	76.27
Copper	6540	6550	6374	6386	6500	19928	311405	-8.00	289.92
Lead	1850	1873	1834	1844.5	1851	3018	108702	-16.25	84.10
Nickel	13605	13640	13340	13528	13600	6983	197234	-40.00	613.04
Tin	17260	17390	17195	17280	17285	176	16009	65.00	781.55
Zinc	2200	2223	2163	2200.5	2192	8033	207488	-8.75	99.70
					<b>Total:</b>	<b>49093</b>	<b>1660372</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	1651	1686	1773.75	1845.5	1654.1	1688.5	1621.772727	1651.727273	
Copper	6507	6510	6486	6502.5	6495.5	6498.5	6246.772727	6246.954545	
Lead	1836	1853.5	1889	1920	1831.6	1849	1805	1818.454545	
Nickel	13512	13555	13798	14018	13546.99	13585	13210.27273	13261.18182	
Tin	17398	17310			17387	17310	17160.09091	17059.54545	
Zinc	2198.5	2209.5	2249.5	2271.5	2184.5	2194.5	2099.818182	2111.272727	

LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1669550	0	5750	-5750	1663800	258075	1405725	Comex, USc/lb		
Copper	168225	3925	5700	-1775	166450	65100	101350	JUL 20	286 -1.92	
Lead	61300	1825	50	1775	63075	15700	47375	SEP 20	288.3 -1.69	
Nickel	234192	972	384	588	234780	55938	178842	Shanghai, CNY/mt		
Tin	3965	0	55	-55	3910	515	3395	00-Jan	0 0.00	
Zinc	123200	0	225	-225	122975	21675	101300	00-Jan	0 0.00	

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	12931	1.84	GBP	1.2584	0.2470	Gold	1812.09	0.1509	1798.2	1801.90
DJI	26702	0.22	JPY	106.9300	0.2899	Silver	19.32	0.5141		1889.5
S&P500	3212	0.45	EUR	1.1406	0.0526	Gold Comex	1813.4	0.000		
SSE	3361	-1.56	CNY	6.9889	0.2418	Platinum	831.75	0.2942		
Hg Seng	25482	0.01	AUD	0.7002	0.3871	Palladium	1968.16	-0.2979		
Brent	43	1.10	RUB	71.0502	-0.2552					

Source: Bloomberg  
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