

## Authors

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# Daily Base Metals Report

US stocks climbed along with the European market as positive economic data offset the fears about growing COVID-19 cases. ISM US manufacturing PMI expanded in July to 50.9, the fastest pace since March 2019. Additionally, the White House considered boosting unemployment benefits. The dollar advanced to 93.639, and the 10yr yield on Treasuries picked up to 0.5625%. In Europe, manufacturing performance improved to 51.8 in July, the first time since November 2019.

LME metal prices were well bid today as risk appetite re-emerged. Copper prices were firmer, however lack of appetite for prices above \$6,500/t, triggered a close at \$6,490/t. Aluminium prices broke through the resistance of \$1,750/t and closed at \$1,752/t. Nickel prices were also firmer and closed at \$13,945/t; cash to 3m spreads tightened back into -\$50.00/t. Tin prices opened on the front foot today, breaking through the key resistance level of \$18,000/t to close at \$18,013/t. Zinc and lead prices were both down on the day, closing at \$2,324/t and \$1,869/t respectively.

Oil futures advanced on the back of signs of economic recovery, with WTI and Brent edging up to \$41.10/bl and \$44.25/bl respectively. Gold and silver prices were down, to \$1,967.76/oz and \$24.21/oz at the time of writing.

|               | Open  | High  | Low   | 5pm Close | PDC   | Volume       | Total O.I      | Spreads<br>C-3M | Conversion<br>USc/lb |
|---------------|-------|-------|-------|-----------|-------|--------------|----------------|-----------------|----------------------|
| Aluminium     | 1710  | 1754  | 1705  | 1752      | 1710  | 23448        | 790056         | -38.10          | 79.15                |
| Copper        | 6358  | 6505  | 6301  | 6490      | 6376  | 20051        | 316109         | 5.00            | 293.91               |
| Lead          | 1867  | 1889  | 1857  | 1869      | 1864  | 5067         | 107577         | -19.96          | 84.73                |
| Nickel        | 13775 | 14025 | 13605 | 13945     | 13740 | 7781         | 198203         | -48.00          | 631.86               |
| Tin           | 17895 | 18030 | 17755 | 18013     | 17875 | 397          | 16879          | 6.00            | 817.61               |
| Zinc          | 2309  | 2328  | 2278  | 2324      | 2313  | 9325         | 207277         | -11.00          | 104.76               |
| <b>Total:</b> |       |       |       |           |       | <b>66069</b> | <b>1636101</b> |                 |                      |

| Official Prices | Cash   | 3m     | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M  | Monthly Avg<br>Cash | 3M       |
|-----------------|--------|--------|----------|----------|---------|--------|---------------------|----------|
| Aluminium       | 1679.5 | 1718.5 | 1828.25  | 1867     | 1675.2  | 1713.5 | 1679.50             | 1718.50  |
| Copper          | 6441   | 6435   | 6487     | 6497     | 6422    | 6413   | 6441.00             | 6435.00  |
| Lead            | 1866.5 | 1885.5 | 1925.5   | 1958.5   | 1861.75 | 1879.5 | 1866.50             | 1885.50  |
| Nickel          | 13683  | 13734  | 13972    | 14182    | 13738   | 13786  | 13683.00            | 13734.00 |
| Tin             | 17958  | 17922  |          |          | 17909   | 17897  | 17958.00            | 17922.00 |
| Zinc            | 2286   | 2297.5 | 2331     | 2358     | 2308    | 2318.5 | 2286.00             | 2297.50  |

| LME Stocks (tonnes) | Opening | In   | Out  | Net Change | Closing | C-warrants | Open Tonnage | Other Copper Markets<br>Last | % Change    |
|---------------------|---------|------|------|------------|---------|------------|--------------|------------------------------|-------------|
| Aluminium           | 1637425 | 0    | 5250 | -5250      | 1632175 | 256575     | 1375600      | Comex, USc/lb                |             |
| Copper              | 128125  | 1125 | 2575 | -1450      | 126675  | 78275      | 48400        | SEP 20                       | 290.95 1.45 |
| Lead                | 117575  | 725  | 150  | 575        | 118150  | 15750      | 102400       | DEC 20                       | 293.05 1.38 |
| Nickel              | 235242  | 24   | 0    | 24         | 235266  | 56382      | 178884       | Shanghai, CNY/mt             |             |
| Tin                 | 3895    | 0    | 20   | -20        | 3875    | 45         | 3830         | 00-Jan                       | 0 0.00      |
| Zinc                | 188050  | 0    | 75   | -75        | 187975  | 17275      | 170700       | 00-Jan                       | 0 0.00      |

| Global Markets | Currencies |       | Precious Metals |        | Previous Day's Fix |         |       |        |         |
|----------------|------------|-------|-----------------|--------|--------------------|---------|-------|--------|---------|
| Last           | % Change   | Last  | % Change        | Last   | % Change           | AM      | PM    |        |         |
| DAX            | 12647      | 2.71  | GBP             | 1.31   | Gold               | 1968.68 | -0.36 | 1974.7 | 1964.90 |
| DJI            | 26670      | 0.91  | JPY             | 106.13 | Silver             | 24.22   | -0.70 |        | 2407    |
| S&P500         | 3296       | 0.76  | EUR             | 1.18   | Gold Comex         | 1982.7  | -0.16 |        |         |
| SSE            | 3368       | 1.75  | CNY             | 6.98   | Platinum           | 914.15  | 1.00  |        |         |
| Hg Seng        | 24458      | -0.56 | AUD             | 0.71   | Palladium          | 2089.51 | -0.06 |        |         |
| Brent          | 44         | 1.49  | RUB             | 73.36  |                    |         |       |        |         |

Source: Bloomberg  
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