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THU 13 AUGUST 2020 17:30

Daily Base Metals Report

US shares were mixed today as investors were hesitant about the direction of the US economic stimulus and general economic recovery. Adding to market uncertainty, the US labour data showed jobless claims fell by 228,000 to below 1m, the first time during this pandemic. This drop follows the expiration of enhanced unemployment benefits in July. The dollar continued its decline, and the US 10y yield picked up to 0.6801%. Germany recorded the highest number of new cases in more than three months, highlighting the new threat of the second wave in Europe.

The risk-off appetite caused LME metals to give back some of the recent gains. Aluminium prices traded down to \$1,755/t, but support at this level triggered a close at \$1,763.50/t. Copper fell the most to close at \$6,256/t, near the day's low, causing the spread to tighten further to \$6.50/t backwardation. Selling pressure prompted nickel to close at \$14,101/t, above support at \$14,100/t. Zinc and lead prices also softened today, closing at \$2,375/t and \$1,943.50/t respectively. Tin remained on the back foot, closing at \$17,500/t.

Oil futures dropped as overall demand outlook remains grim. At the time of writing, WTI and Brent trade at \$42.37/bl and \$45.10/bl. Gold and silver resumed their rally today, edging close to \$1,944.41/oz and \$26.69/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1785	1792	1756	1763.5	1785	12956	800888	-36.50	79.92
Copper	6425	6440	6252	6256	6435	19125	332660	6.50	284.43
Lead	1950	1961	1934	1943.5	1949	2479	114464	-17.05	88.41
Nickel	14245	14280	14070	14101	14240	4906	212191	-60.00	639.35
Tin	17530	17645	17455	17500	17520	237	17222	20.50	796.97
Zinc	2393	2399	2367	2375	2393	7419	216029	-20.00	107.59
Total:						47122	1693454		

Official Prices	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	1738	1774	1838.17	1920	1750.2	1787		1729.50	1766.61
Copper	6380	6373.5	6445.5	6457.5	6434.5	6432.5		6419.50	6416.50
Lead	1932	1946	1979	2012	1938.47	1957.5		1896.72	1914.44
Nickel	14106	14186	14423	14632	14206.25	14258		14123.22	14172.22
Tin	17655	17588			17591.75	17580		17824.11	17788.67
Zinc	2362.5	2382.5	2422.5	2448.5	2382.2	2401		2356.61	2371.11

LME Stocks (tonnes)	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1606400	0	5875	-5875	1600525	239525	1361000	Comex, USc/lb		
Copper	114575	1850	2550	-700	113875	61250	52625	SEP 20	280.2	-3.08
Lead	117800	1000	0	1000	118800	17050	101750	DEC 20	282.65	-2.94
Nickel	235866	1362	0	1362	237228	55638	181590	Shanghai, CNY/mt		
Tin	4160	40	30	10	4170	450	3720	00-Jan	0	0.00
Zinc	212750	1400	325	1075	213825	16375	197450	00-Jan	0	0.00

Global Markets	% Change		Currencies	% Change		Precious Metals	% Change		Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	12994	-0.50	GBP	1.31	0.38	Gold	1946.56	1.60	1931.7	1931.90
DJI	27945	-0.11	JPY	106.87	0.04	Silver	26.73	4.77		2581
S&P500	3382	0.05	EUR	1.18	0.32	Gold Comex	1956.5	0.38		
SSE	3321	0.04	CNY	6.95	-0.11	Platinum	959.6	3.03		
Hg Seng	25231	-0.05	AUD	0.72	0.00	Palladium	2189.56	2.44		
Brent	45	-0.70	RUB	73.07	0.86					

Source: Bloomberg
Updated: 13/08/2020 17:08

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