

Authors

Geordie Wilkes
Head of Research

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Daily Base Metals Report

European shares were mixed as Spain declared a state of emergency in Madrid in order to control the rising new cases of COVID-19. Italy's 10-year bond yield fell to a record low of 0.724%. In the UK, new local furlough schemes have been introduced to support jobs in coronavirus hotspots. The UK GDP grew by 2.1% m/m in August, below market expectations and down from 6.4% in July. The yuan strengthened against the dollar as the Caixin service PMI picked up to 54.8, the fifth consecutive month of expansion. The dollar softened into 93.099, and the yield on the 10yr US Treasuries strengthened up to 0.7870%.

LME base metals extended gains today, led by nickel and aluminium, which gained 3.94% and 2.60% on the day respectively. Copper prices edged higher to the resistance level of \$6,780/t before closing below at \$6,763/t. SHFE copper, however, was down on the day, closing at CNY51,430/mt. Aluminium was well bid, edging up to the \$1,860/t level, to close just below the day's highs at \$1,841.50/t. Nickel gained the most ground, testing the resistance at \$15,250/t and closed at \$15,221/; the cash to 3-month spread tightened into -\$38.00/t backwardation. Zinc and lead prices were both higher today, testing the \$2,440/t and \$1,820/t, and closing at \$2,434/t and \$1,808.50/t respectively.

Oil futures continued to strengthen, as fears surrounding the disruption caused by Hurricane Delta are rising. At the time of writing, WTI and Brent trade at \$41.25/bl and \$43.41/bl respectively. Precious metals were on the front foot, with gold and silver edging up to \$1,922.98/oz and \$24.77/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1802	1856	1801	1841.5	1799	21088	785090	-13.75	83.96
Copper	6676	6781	6676	6763	6670	19271	309983	4.25	306.99
Lead	1795	1819	1783	1808.5	1793	5371	109127	-10.00	82.12
Nickel	14665	15265	14665	15221	14650	9101	218256	-39.50	691.06
Tin	18160	18280	18160	18270	18135	340	17004	6.00	827.81
Zinc	2382	2448	2382	2423	2384	13301	212449	-15.00	110.04
					Total:	68472	1651909		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	1805.5	1820	1898	1942.5	1789.25	1804.5	1750.64	1777.79	
Copper	6740.5	6741	6777.5	6791.5	6678.25	6683	6559.57	6570.79	
Lead	1779.5	1794	1838	1868	1776.75	1792	1773.07	1791.50	
Nickel	14990	15028	15220	15423	14623	14662	14564.43	14605.14	
Tin	18210	18200			18152	18137	17950.86	17942.43	
Zinc	2415.5	2433.5	2478	2512	2347	2365	2346.43	2364.50	

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1423075	0	6750	-6750	1416325	301475	1114850	Comex, USc/lb		
Copper	154750	100	925	-825	153925	29200	124725	DEC 20	308.45	1.4
Lead	133700	0	850	-850	132850	20225	112625	MAR 21	308.2	1.25
Nickel	236088	0	18	-18	236070	58332	177738	Shanghai, CNY/mt		
Tin	5375	65	50	15	5390	945	4445	00-Jan	0	0.00
Zinc	217975	0	350	-350	217625	6225	211400	00-Jan	0	0.00

Global Markets

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	13051	0.07	GBP	1.30	0.58	Gold	1924.99	1.65	1891.35	1887.45
DJI	28622	0.69	JPY	105.67	0.34	Silver	24.88	4.36		2396
S&P500	3480	0.95	EUR	1.18	0.54	Gold Comex	1928.4	1.76		
SSE	3272	1.68	CNY	6.69	1.44	Platinum	890.82	2.72		
Hg Seng	24119	-0.31	AUD	0.72	0.98	Palladium	2455.46	3.20		
Brent	43	-0.30	RUB	76.85	0.65					

Source: Bloomberg
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