

Authors

Daria Efanova
Research Analyst

SAT 23 OCTOBER 2021 00:10

Daily Base Metals Report

US stocks declined yesterday after the comments from the Fed, stating that the central bank is on track to taper bond purchases and outlined that it would raise interest rates in case of higher inflationary risks. US service industry grew in September, with IHS market flash index up to 58.2, the highest in 3 months; manufacturing performance softened. The dollar remained marginally unchanged, and the 10yr US Treasury yield softened; the 5yr yield continued to break multi-year highs and is now at 1.21%. Elsewhere, Russia hiked the rates once more, up to 7.50%. UK retail sales fell for the fifth straight month as consumer confidence softened in September.

Another day of declines on the LME market yesterday, only with lead closing higher at \$2,423/t. Copper prices softened to test appetite at \$9,700/t, but support at that level triggered a close at \$9,704/t. Zinc sell-off moderated today, but prices struggled above \$3,450/t to close at \$3,447.50/t; cash to 3-month spread strengthened into to -\$51.00/t. Likewise, aluminium remained under pressure, closing at \$2,868/t. Nickel broke through the support level of \$20,000/t level and closed lower at \$19,739/t.

Oil gained ground, finishing the week strong, given the lacklustre supply from OPEC and shrinking crude inventories. WTI and Brent traded at \$83.04/bl and \$85.04/bl. Precious metals were also seen marginally higher, with gold and silver edging up to \$1,788.90/oz and \$24.31/oz, respectively.

For more in-depth analysis of base and precious metals, please see our [Quarterly Metals report](#).

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2913	2970	2856	2868	2903	37810	670921	-14.50	130.27
Copper	9838	9966	9690	9704	9786	14496	269992	153.00	440.94
Lead	2395	2432	2390	2423	2395	4521	113857	38.75	109.41
Nickel	19930	20235	19620	19739	19930	9218	216229	118.00	894.27
Tin	37150	37975	36775	37350	36825	321	14158	1490.00	1691.01
Zinc	3425	3475	3364	3447.5	3423	10302	257017	51.00	155.18
					Total:	76668	1542174		

Official Prices						Monthly Avg			
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2946	2957	2769	2682	2897	2910.5	3011.90625	3027.96875	
Copper	9992	9870	9544	9314	10078.5	9831.5	9727.875	9615.75	
Lead	2439	2396	2303	2238	2428	2400	2305.0625	2259.4375	
Nickel	20355	20220	19910	19760	20022	19930	19252.5	19221.875	
Tin	38850	37100			38650	37250	37731.875	36415.625	
Zinc	3495	3444.5	3190	2900	3475.5	3429.5	3346.90625	3330.625	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1092600	0	5975	-5975	1086625	465475	621150	Comex, USc/lb	
Copper	165925	1000	5375	-4375	161550	139700	21850	DEC 21	455.85 -3.72
Lead	57000	0	225	-225	56775	14075	42700	MAR 22	451.3 -3.76
Nickel	142788	0	342	-342	142446	66492	75954	Shanghai, CNY/mt	
Tin	990	50	65	-15	975	570	405	21-Nov	72340 -2.45
Zinc	199925	0	1650	-1650	198275	54700	143575	21-Dec	72160 -2.41

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	15543	0.46	GBP	1.3744	-0.3553	Gold	1791.89	0.5042	1785.3	1779.30
DJI	35611	0.02	JPY	113.4800	0.4494	Silver	24.35	0.8073		2423
S&P500	4532	-0.38	EUR	1.1628	0.0430	Gold Comex	1790.2	0.466		
SSE	3583	-0.34	CNY	6.3850	0.1284	Platinum	1048.4	-0.4264		
Hg Seng	26127	0.42	AUD	0.7462	-0.0670	Palladium	2016.31	-0.0714		
Brent	85	0.76	RUB	70.3570	1.0660					

Source: Bloomberg
Updated: 22/10/2021 17:28

All price data is from 22.10.2021 as of 17:30

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).