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TUE 17 NOVEMBER 2020 17:35

Daily Base Metals Report

US stocks pulled back from record highs today as hopes around the new vaccine proved to be short-lived and investors turned to the rising numbers of coronavirus cases. The US retail sales missed estimates in October, increasing by 0.3% m/m, highlighting the impact of continued uncertainty surrounding the pandemic. The dollar softened out to 92.485 and the 10yr yield on US Treasuries weakened out to 0.8783%. In Europe, stocks declined, led by hospitality, after France joined Germany in attempts to keep the economy closed over the Christmas period. The pound rose on the news of a breakthrough in Brexit negotiations with the EU, with the deal scheduled as soon as next week.

Prices on the LME were stronger today as risk appetite returned. Aluminium prices challenged resistance at \$1,980/t and the prices closed near the day's highs at \$1,977.50/t. Tin was the biggest winner as protracted buying pressure prompted a break of resistance at \$19,000/t, but closed lower at \$19,025/t. Nickel remained supported above 15,700/t, closing marginally higher on the day at \$15,939/t; the cash to 3-month spread widened out to -\$55.01/t. Copper was weaker closing on the back foot at \$7,068/t. Elsewhere in the metals market, COMEX copper prices edged higher to break record highs and closed at \$322.95/lb. SGX iron ore prices also improved and closed at \$120.29/t.

Oil futures edged lower today after the OPEC meeting led to no significant conclusions. At the time of writing, WTI and Brent trade at \$41.05/bl and \$43.39/bl respectively. Precious metals were mostly lower, with gold and silver trading at \$1,885.50/oz and \$24.50/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1953	1982	1947	1977.5	1953	14856	743052	-15.50	89.68
Copper	7107	7136	7010	7068	7095	14815	305972	-21.00	319.90
Lead	1914	1947	1906	1940.5	1910	6637	108993	-22.00	87.82
Nickel	15930	15955	15655	15939	15890	8965	233580	-51.00	722.99
Tin	18795	19090	18715	19025	18665	519	18032	21.00	864.10
Zinc	2676	2700	2662	2689.5	2676	10683	234761	-10.30	122.34
					Total:	56475	1644390		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	1944.5	1961	1981	2039	1936	1951	1898.13	1911.21	
Copper	7050	7071	7075.75	7078.75	7092.75	7108	6899.46	6913.83	
Lead	1900.5	1921.5	1955.5	1989	1889.75	1911.5	1843.21	1859.13	
Nickel	15703	15750	15881	16053	15846.25	15894	15636.83	15677.50	
Tin	18915	18875			18772	18755	18335.42	18310.83	
Zinc	2663.5	2674.5	2699.5	2701.5	2665	2679.5	2605.88	2619.08	

LME Stocks (tonnes)								Other Copper Markets		
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1413775	9875	6950	2925	1416700	155150	1261550	Comex, USc/lb		
Copper	163025	50	1375	-1325	161700	32650	129050	DEC 20	319.35 -0.88	
Lead	111825	1750	475	1275	113100	21275	91825	MAR 21	320.55 -0.74	
Nickel	239076	24	120	-96	238980	58476	180504	Shanghai, CNY/mt		
Tin	4040	30	5	25	4065	685	3380	00-Jan	0 0.00	
Zinc	220850	0	375	-375	220475	8875	211600	00-Jan	0 0.00	

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	13133	-0.04	GBP	1.32	0.37	Gold	1886.71	-0.12	1892.6	1885.60
DJI	29825	-0.42	JPY	104.22	0.35	Silver	24.54	-0.94		2426.5
S&P500	3613	-0.37	EUR	1.19	0.09	Gold Comex	1884.3	-0.19		
SSE	3340	-0.21	CNY	6.56	0.43	Platinum	932.65	0.36		
Hg Seng	26415	0.13	AUD	0.73	-0.25	Palladium	2319.15	-0.70		
Brent	43	-1.19	RUB	76.26	-0.12					

Source: Bloomberg
Updated: 17/11/2020 17:17

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