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FRI 18 DECEMBER 2020 17:25

Daily Base Metals Report

US stocks lost ground today, falling from record highs. The US-China tensions have sparked once again, as the US Commerce Department blacklisted more than sixty companies in order to "protect US national security". There has been little progress in regards to the US stimulus bill talks. The dollar strengthened and the 10yr US Treasuries yield picked up to 0.9396%. The pound and euro dropped as the Brexit negotiations hit another hurdle. More than 1.1m people have already been vaccinated worldwide, with the UK and the US paving the way.

Sentiment on the LME was mixed once again. Copper prices were well-supported above \$7,950/t, breaking above the \$8,000/t level, the seven year high, and closing at \$7,985/t. Copper cash to 3-month spread has tightened to -\$18.51/t. Zinc trended higher to test the resistance at \$2,885/t before closing below at \$2,872.50/t. Aluminium was softer, closing at \$2,056.50/t. Lead lost the most ground, breaking below the key support level of \$2,040/t to close at \$2,039.50/t. Nickel was also weaker today, closing at \$17,484/t. Iron ore futures rallied to close at CNY1,043/mt, continuing to break record highs.

Oil futures jumped once again, with WTI and Brent edging up to \$49.06/bl and \$52.12/bl respectively. At the time of writing, gold and silver trade at \$1,883.21/oz and \$25.84/oz respectively.

| | Open | High | Low | 5pm Close | PDC | Volume | Total O.I | Spreads C-3M | Conversion USc/lb |
|---------------|-------|-------|-------|-----------|-------|--------------|----------------|-----------------|----------------------|
| Aluminium | 2066 | 2090 | 2045 | 2056.5 | 2067 | 11757 | 740323 | -11.58 | 93.24 |
| Copper | 7916 | 8028 | 7902 | 7986 | 7939 | 17130 | 307467 | -18.51 | 362.56 |
| Lead | 2038 | 2059 | 2033 | 2039.5 | 2037 | 2474 | 116863 | -8.25 | 92.24 |
| Nickel | 17515 | 17715 | 17430 | 17484 | 17495 | 5073 | 230610 | -60.00 | 793.34 |
| Tin | 20020 | 20245 | 19865 | 20059 | 19930 | 305 | 17447 | 90.50 | 905.38 |
| Zinc | 2854 | 2885 | 2845 | 2872 | 2849 | 6913 | 231632 | -20.75 | 129.98 |
| Total: | | | | | | 43652 | 1644342 | | |

| Official Prices | Cash | 3m | Dec Yr 1 | Dec Yr 2 | PD Cash | PD 3M | Monthly Avg Cash | 3M |
|-----------------|--------|--------|----------|----------|---------|--------|---------------------|----------|
| Aluminium | 2049 | 2059.5 | 2070 | 2108.5 | 2040.5 | 2053 | 2026.86 | 2040.11 |
| Copper | 7964 | 7984.5 | 7961 | 7871 | 7900.25 | 7920 | 7737.57 | 7753.11 |
| Lead | 2040.5 | 2041 | 2065.5 | 2096.5 | 2042 | 2040.5 | 2051.04 | 2057.32 |
| Nickel | 17551 | 17616 | 17737 | 17899 | 17460 | 17517 | 16766.64 | 16827.50 |
| Tin | 20255 | 20188 | | | 20049 | 20000 | 19433.21 | 19397.29 |
| Zinc | 2835 | 2861.5 | 2889.5 | 2878.5 | 2834.75 | 2856 | 2787.04 | 2814.07 |

| LME Stocks (tonnes) | Opening | In | Out | Net Change | Closing | C-warrants | Open Tonnage | Other Copper Markets Last | % Change |
|---------------------|---------|------|------|------------|---------|------------|--------------|------------------------------|-------------|
| Aluminium | 1371300 | 1175 | 5450 | -4275 | 1367025 | 186650 | 1180375 | Comex, USc/lb | |
| Copper | 127725 | 500 | 4825 | -4325 | 123400 | 51325 | 72075 | DEC 20 | 362.05 0.65 |
| Lead | 131075 | 1075 | 200 | 875 | 131950 | 26625 | 105325 | MAR 21 | 362.6 0.68 |
| Nickel | 244212 | 0 | 0 | 0 | 244212 | 61902 | 182310 | Shanghai, CNY/mt | |
| Tin | 3010 | 55 | 5 | 50 | 3060 | 1820 | 1240 | JAN 21 | 58240 0.67 |
| Zinc | 211150 | 0 | 1200 | -1200 | 209950 | 20325 | 189625 | Feb 20 | 59020 1.34 |

| Global Markets | Currencies | | Precious Metals | | Previous Day's Fix | | | | |
|----------------|------------|-------|-----------------|--------|--------------------|---------|-------|---------|---------|
| Last | % Change | Last | % Change | Last | % Change | AM | PM | | |
| DAX | 13631 | -0.27 | GBP | 1.35 | Gold | 1883.78 | -0.09 | 1871.95 | 1890.75 |
| DJI | 30124 | -0.59 | JPY | 103.37 | Silver | 25.87 | -0.74 | | 2574 |
| S&P500 | 3703 | -0.53 | EUR | 1.22 | Gold Comex | 1889.6 | -0.04 | | |
| SSE | 3395 | -0.29 | CNY | 6.54 | Platinum | 1037.21 | -1.11 | | |
| Hg Seng | 26499 | -0.67 | AUD | 0.76 | Palladium | 2350.46 | 0.23 | | |
| Brent | 52 | 1.11 | RUB | 73.47 | | | | | |

Source: Bloomberg
Updated: 18/12/2020 17:09

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