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Daily Base Metals Report

US stocks rallied once again, with S&P 500 breaching record highs after the Democrats won two seats in Georgia and took control of the Senate, easing the concerns around more federal spending this year. In the meantime, Joe Biden was formally recognised as the next president of the US, after the proceedings were earlier suspended when a mob of Donald Trump's supporters stormed the US Capitol. In economic news, ISM's service index rose to 57.2 in December, above market expectations, as business activity accelerated. Meanwhile, US initial jobless claims fell marginally to 787,000 in the week ending January 2nd, highlighting the concerns surrounding the labour market. The dollar strengthened, and the 10yr US Treasury yield continued to edge higher, breaching March 2020 highs of 1.0812%.

Sentiment on the LME was mixed again today; nickel was the big mover, breaching 1-year highs on a positive economic backdrop. Nickel prices were well supported above \$17,800/t to close at \$18,109/t, the cash to 3-month spread widened out to -\$55.00/t. Copper strengthened in the second half of the day to test the \$8,180/t level and closed at on the front foot at \$8,179/t. Zinc consolidated today after yesterday's gains; the market closed at \$2,888/t. Lead prices were weaker, as a lack of appetite for prices caused a test of support at \$2,030/t to close at \$2,035/t. Ali closed at \$2,036.50/t after selling off to test the \$2,013/t level.

Oil futures were marginally higher on the day as the continued rise of COVID-19 infections battles the outlook for tighter supply. At the time of writing, WTI and Brent trade at \$50.81/bl and \$54.46/bl. Gold and silver were marginally weaker on the day, edging down to \$1,912.30/oz and \$27.08/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2035	2049	2013	2036.5	2031	11127	748550	-8.25	92.19
Copper	8073	8182	8033	8179	8073	16418	304499	-8.00	369.68
Lead	2047	2069	2029	2035	2047	3481	114636	-20.50	92.22
Nickel	17800	18200	17755	18109	17750	10663	231987	-55.00	818.97
Tin	21155	21220	20955	21110	21090	221	16894	200.00	957.54
Zinc	2872	2895	2860	2888	2870	6652	236909	-24.40	130.82
					Total:	48562	1653475		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
							Monthly Avg	
Aluminium	2008	2020.5	2098.75	2118	2031	2038.5	2027.88	2034.25
Copper	8036.5	8048	7930.5	7880.5	8030.5	8037.5	7999.63	8007.25
Lead	2026.5	2042	2099	2131.5	2043	2062.5	2040.50	2056.13
Nickel	17929	17972	18235	18380	17719.75	17773	17646.50	17694.75
Tin	21360	21140			21334	21105	21296.00	21042.50
Zinc	2838	2863.5	2874	2857	2835.25	2860	2807.75	2832.63

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1319075	0	5975	-5975	1313100	126850	1186250	Comex, USc/lb		
Copper	105425	0	1100	-1100	104325	34050	70275	MAR 21	369.8	1.3
Lead	132550	0	425	-425	132125	56325	75800	MAY 21	370.65	1.34
Nickel	248382	312	0	312	248694	61794	186900	Shanghai, CNY/mt		
Tin	1780	0	25	-25	1755	810	945	JAN 21	58880	1.50
Zinc	201900	0	25	-25	201875	21300	180575	Feb 21	59170	0.49

Global Markets

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	13968	0.55	GBP	1.36	-0.36	Gold	1912.33	-0.33	1957.2	1931.95
DJI	31088	0.84	JPY	103.86	-0.79	Silver	27.07	-0.80		2752.5
S&P500	3801	1.41	EUR	1.23	-0.45	Gold Comex	1914.2	0.29		
SSE	3576	0.71	CNY	6.48	-0.24	Platinum	1114.5	0.88		
Hg Seng	27549	-0.52	AUD	0.78	-0.58	Palladium	2416.21	-1.14		
Brent	54	0.26	RUB	73.93	0.13					

Source: Bloomberg
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