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Daily Base Metals Report

US stocks started the week on the back foot, dropping from record highs, on the back of lacklustre investor appetite. Meanwhile, Democrats are aiming for a fast second impeachment of Donald Trump just as president-elect Joe Biden aims to step into the office. The dollar was supported above 90.400, and the 10yr US Treasury yields strengthened up to 1.1324%. Chinese stocks faced the fastest decline in more than three weeks amid valuation concerns as well as the new outbreak of COVID-19 cases near Beijing. Europe continues to tighten lockdown restrictions as the number of infections rises, just as the UK threatens more stringent measures across the country if people fail to follow the rules.

Metals on the LME were broadly weaker today on the back of stronger dollar, with nickel, once again, losing the most ground. The metal dropped below the \$17,200/t support level to close at \$17,086/t. Selling pressure caused copper to test appetite around \$7,850/t, as it headed for the biggest two-day decline since March, but managed to close back above at \$7,864/t. Lead prices found support below \$1,980/t and closed at \$1,966.50/t, the cash to 3-month spread has widened out to -\$21.50/t. Aluminium tested support at \$2,000/t before closing higher at \$2,009.50/t. Zinc closed on the back foot as well at \$2,767.50/t.

Oil futures edged lower today alongside equities amid waning buying pressure. At the time of writing WTI and Brent trend at \$52.10/bl and \$55.59/bl. Precious metals also took a breather today, with gold and silver seen trading at \$1,848.31/oz and \$25.20/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2015	2019	1999	2009.5	2016	12486	752802	-0.95	91.13
Copper	8077	8096	7852	7864	8085	18586	308705	-15.50	356.62
Lead	1998	2002	1960	1966.5	1997	3368	113778	-21.50	89.54
Nickel	17545	17635	17040	17086	17535	10623	232290	-55.01	776.10
Tin	20920	20945	20525	20700	21005	348	17125	200.00	942.57
Zinc	2800	2814	2748	2767.5	2799	8114	235792	-23.50	125.19
					Total:	53525	1660492		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2008	2008	2085.75	2123	2024	2021.5		2024.83	2029.50
Copper	7951.5	7967	8013.5	7973.5	8118	8131		8016.00	8026.00
Lead	1974	1992	2048	2080.5	1980.75	2001.5		2022.67	2039.33
Nickel	17164	17217	17480	17625	17613.5	17667		17606.67	17657.67
Tin	20965	20730			21232.5	21000		21245.67	21000.83
Zinc	2764.5	2788	2817	2800	2789	2813.5		2803.33	2827.92

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1309100	0	3275	-3275	1305825	120675	1185150	Comex, USc/lb		
Copper	102425	3575	1050	2525	104950	38000	66950	MAR 21	356	-3.09
Lead	131975	0	75	-75	131900	56800	75100	MAY 21	356.6	-3.10
Nickel	249018	0	192	-192	248826	61938	186888	Shanghai, CNY/mt		
Tin	1745	0	5	-5	1740	840	900	JAN 21	60150	1.66
Zinc	201375	0	250	-250	201125	24250	176875	Feb 21	59140	-1.68

Global Markets

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	13937	-0.80	GBP	1.35	-0.32	Gold	1847.51	-0.08	1891.3	1862.90
DJI	31024	-0.24	JPY	104.13	-0.18	Silver	25.17	-0.99		2664.5
S&P500	3811	-0.37	EUR	1.22	-0.38	Gold Comex	1848.9	0.74		
SSE	3531	-1.08	CNY	6.48	-0.10	Platinum	1033.28	-3.37		
Hg Seng	27908	0.11	AUD	0.77	-0.58	Palladium	2365.6	-0.47		
Brent	56	-0.71	RUB	74.59	-0.61					

Source: Bloomberg
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