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Daily Base Metals Report

US stocks fluctuated today on the mixed economic backdrop. Biden's new \$1.9tr stimulus proposal is already facing hurdles from congressional opposition, complicating a smooth start to his term. The dollar remained range-bound, and the 10yr US Treasury yield picked up higher to 1.0835%. Meanwhile, China ended the year on a good note, growing by 6.5% y/y in Q4, highlighting the country's fast recovery due to early containment measures. On the coronavirus front, the EU has set a goal of 70% population to be vaccinated by summer, while the UK is considering relaxing lockdown restrictions in March, as its rate of COVID-19 deaths just became the highest in the world (this is based on a 7-day average of new daily coronavirus deaths per million people).

LME metals have been mixed, with aluminium, zinc and lead lower on the day. Copper prices firmed on the back of positive Chinese economic and industrial data, testing the resistance at \$8,050/t to close at \$7,971.50/t, the cash to 3-month spread has tightened once again to -\$10.50/t. Nickel was bid below \$18,250/t and closed lower at \$18,056/t. Aluminium traded lower to the \$1,970/t support level and closed at \$1,972/t. Zinc lost the most ground, testing the key support level of \$2,680/t to close at \$2,682/t. Lead was weaker today, closing at \$1,996.50/t. Iron ore futures remained broadly unchanged, closing at CNY1,061/mt.

Oil futures continue to edge lower on virus fears and a stronger dollar. At the time of writing, WTI and Brent trade at \$52.23/bl and \$54.91/bl. Precious metals traded higher, with gold and seen at \$1,838.65/oz and \$25.02/oz respectively.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1984	1997	1970	1972	1982	12292	750647	-7.00	89.59
Copper	7912	8047	7910	7971.5	7934	10001	311869	-10.50	361.61
Lead	1989	2016	1987	1996.5	1991	1542	113311	-20.00	90.74
Nickel	18000	18240	18000	18056	18050	4482	231657	-50.00	820.10
Tin	21120	21360	21110	21235	21125	321	17011	350.00	960.26
Zinc	2689	2712	2674	2682.5	2686	5029	238730	-23.50	121.59
					Total:	33667	1663225		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	1979.5	1984	2067.25	2110.5	1991.05	1991	2015.86	2018.36
Copper	7972.5	7984	7835	7765	7937.4	7949	7999.45	8009.77
Lead	1981.5	2004	2049.5	2082	1979.15	1997.5	2010.91	2028.18
Nickel	18056	18102	18227	18307	17971.25	18007	17723.36	17766.64
Tin	21806	21324			21500	21100	21331.00	21034.82
Zinc	2664.5	2686	2721.5	2703.5	2677.55	2699	2765.59	2788.82

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1288675	112400	4000	108400	1397075	97375	1299700	Comex, USc/lb		
Copper	99950	0	2275	-2275	97675	43275	54400	#N/A N/A	361.7	0.42
Lead	129800	0	775	-775	129025	56175	72850	#N/A N/A	362.15	0.40
Nickel	249306	0	6	-6	249300	63384	185916	Shanghai, CNY/mt		
Tin	1635	0	0	0	1635	905	730	JAN 21	59370	1.31
Zinc	198700	0	575	-575	198125	28600	169525	Feb 21	0	0.00

Global Markets

Global Markets			Currencies			Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change		Last	% Change	AM	PM	
DAX	13848	0.44	GBP	1.36	-0.05	Gold	1838.03	0.52	1853.85	1839.00
DJI	30814	-0.57	JPY	103.67	0.17	Silver	25.02	1.01		2524.5
S&P500	3768	-0.72	EUR	1.21	-0.06	Gold Comex	1837.7	0.43		
SSE	3596	0.84	CNY	6.49	-0.18	Platinum	1083.23	0.74		
Hg Seng	28863	1.01	AUD	0.77	-0.23	Palladium	2373.92	-0.67		
Brent	55	-0.31	RUB	73.96	-0.44					

Source: Bloomberg
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