

Authors

Daria Efanova
Research Analyst

TUE 19 JANUARY 2021 17:45

Daily Base Metals Report

US stocks were seen higher today, with Dow Jones edging close to an all-time high, on the last day of Trump's presidential term. Treasury Secretary nominee Janet Yellen stated that she would not seek a weaker dollar to gain competitive advantage. The dollar was still down on the day, and the 10yr US Treasury yield strengthened up to 1.0988%. The euro was on the front foot, as of ZEW Survey Expectations index increased above market expectations, as investors grew more confident about economic recovery. On the virus front, Germany extended the lockdown restrictions into mid-February, a move to further suppress the spread of the virus.

Another day of mixed results on the LME market. Nickel prices edged higher today, breaking above \$18,400/t before closing lower at \$18,215/t; the cash to 3-month spread has widened out once again to -\$50.00/t. Lead was well-bid above \$2,000/t for the second half of the day and closed just off the day's high at \$2,015/t. Zinc was mostly range-bound and tested the resistance level at \$2,690/t before closing at \$2,686/t. Aluminium traded lower to the \$1,950/t support level and closed on the front foot at \$1,964/t. Copper was weaker today, closing at \$7,954/t.

Oil futures edged higher on the back of stimulus hopes from the US; WTI and Brent are trading at \$52.96/bl and \$55.89/bl at the time of writing. Precious metals fluctuated ahead of the Yellen speech, with gold trading at \$1,841.50/oz and silver at \$25.26/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	1974	1976	1945	1964	1970	15524	741710	-3.20	89.38
Copper	7990	8051	7940	7954	7945	13326	308367	-2.49	360.16
Lead	1998	2023	1986	2015	1995	2080	111306	-20.00	91.24
Nickel	18135	18415	17950	18215	18090	7068	228830	-49.00	824.87
Tin	21260	21335	20960	21165	21225	312	16735	209.00	960.04
Zinc	2686	2698	2667	2686	2678	6027	235239	-23.50	121.90
					Total:	44337	1642187		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	
							Cash	3M
Aluminium	1951.5	1958	2042.05	2085.5	1961.5	1972	2010.50	2013.33
Copper	7986.5	7992	7845.25	7775.25	7968	7971.5	7998.38	8008.29
Lead	1987	2005	2050.5	2083	1976.5	1996.5	2008.92	2026.25
Nickel	18075	18133	18277	18357	18014.5	18056	17752.67	17797.17
Tin	21600	21235			21585	21235	21353.42	21051.50
Zinc	2652	2675.5	2712	2694	2659	2682.5	2756.13	2779.38

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	
								Last	% Change
Aluminium	1397075	22800	5200	17600	1414675	89450	1325225	Comex, USc/lb	
Copper	97675	200	1550	-1350	96325	41725	54600	Jan-00	0
Lead	129025	0	2300	-2300	126725	53875	72850	Jan-00	0
Nickel	249300	6	216	-210	249090	63168	185922	Shanghai, CNY/mt	
Tin	1635	0	210	-210	1425	695	730	JAN 21	0
Zinc	198125	0	1500	-1500	196625	27100	169525	Feb 21	0

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix			
Last	% Change	Last	% Change	Last	% Change	AM	PM		
DAX	13815	-0.24	GBP	1.36	0.24	Gold	1840.55	-0.04	1833.95
DJI	30938	0.40	JPY	103.90	-0.20	Silver	25.20	-0.60	2486.5
S&P500	3791	0.61	EUR	1.21	0.33	Gold Comex	1840.7	0.59	
SSE	3566	-0.83	CNY	6.48	0.21	Platinum	1085.65	0.01	
Hg Seng	29642	2.70	AUD	0.77	0.17	Palladium	2357.7	-0.61	
Brent	56	1.86	RUB	73.74	0.39				

Source: Bloomberg
Updated: 19/01/2021 17:27

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).