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Daily Base Metals Report

US stocks were seen higher today as corporate results continued to drive the markets. Meanwhile, the US stimulus check is likely to be passed soon, as the process would bypass the Republican votes, even after a White House meeting with GOP senators yesterday seemed productive. The dollar edged up to 91.185 - December levels - and the 10yr US Treasury yield strengthened up to 1.0997%. On the virus front, the UK strain sparked concerns as there appears to be another mutation that is more resistant to vaccines. In the US, the number of vaccinations surpassed the number of COVID-19 cases, as 26.5m people have already received one or both doses of the vaccine. Elsewhere, the euro-area shrank by 0.7% q/q in Q4, less than expected, and Hong Kong retail sales fell by 13.2% y/y in December after renewed virus restrictions.

LME metals have been mixed, only with aluminium and zinc higher on the day. Copper prices edged lower today, down to a 6-week low ahead of the Chinese New Year holidays, breaking below \$7,800/t to close at \$7,777/t. Copper cash to 3-month spread has tightened into \$7.50/t. Nickel was supported at \$17,700/t and closed just above the day's lows at \$17,697/t. Lead was weaker today, closing at \$2,015.50/t. Zinc was mostly range-bound and tested the resistance level at \$2,580/t before closing at \$2,569.50/t. Aluminium traded higher to the \$1,980/t resistance level but closed on the back foot below at \$1,960/t.

Oil futures jumped to a 1-year high on the back of declining global stockpiles. At the time of writing, WTI and Brent trade at \$54.85/bl and \$57.62/bl. Silver corrected sharply today after the retail demand cooled substantially, with spot prices seen at \$26.65/bl. Gold is trading at \$1,838.70/oz.

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	US\$/lb
Aluminium	1964	1979	1953	1972.5	1961	13690	734646	-4.51	89.56
Copper	7818	7850	7712	7777	7823	15534	318334	7.50	352.90
Lead	2032	2034	2008	2015.5	2033	2728	111675	-15.00	91.83
Nickel	17875	17935	17655	17697	17880	6288	225456	-45.25	804.23
Tin	23070	23435	22940	22990	23070	344	16125	1510.00	1041.69
Zinc	2575	2582	2547	2569.5	2575	6676	235130	-24.00	116.82
					Total:	45260	1641366		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	
							Cash	3M
Aluminium	1958	1962.5	2047.75	2087	1970.5	1969	1971.75	1972.50
Copper	7755.5	7747.5	7666.5	7586.5	7805.55	7798.5	7791.25	7785.25
Lead	2008.5	2022	2063.5	2093	2021	2036.5	2016.50	2028.75
Nickel	17756	17807	17988	18064	17816.25	17860	17781.50	17831.00
Tin	25000	23250			24158	23103	24662.50	23117.00
Zinc	2539	2562.5	2600.5	2590.5	2546.75	2570.5	2543.75	2568.00

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	1428175	2800	9250	-6450	1421725	257525	1164200	Comex, US\$/lb		
Copper	74275	0	50	-50	74225	24825	49400	MAR 21	353.05	-0.44
Lead	96775	0	2150	-2150	94625	28675	65950	MAY 21	353.05	-0.39
Nickel	248856	318	72	246	249102	64338	184764	Shanghai, CNY/mt		
Tin	820	0	30	-30	790	225	565	FEB 21	57830	-0.10
Zinc	291750	0	400	-400	291350	23400	267950	Mar 21	57560	-0.47

Global Markets

			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change		AM	PM
DAX	13835	1.56	GBP	1.36	Gold	1836.47	-1.31	1857.8	1862.95
DJI	30829	2.04	JPY	105.09	Silver	26.56	-8.59		2958.5
S&P500	3841	1.79	EUR	1.20	Gold Comex	1839.7	-1.30		
SSE	3534	0.81	CNY	6.46	Platinum	1095.66	-3.26		
Hg Seng	29249	1.23	AUD	0.76	Palladium	2241.07	-0.56		
Brent	58	2.15	RUB	75.76					

Source: Bloomberg
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