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# Daily Base Metals Report

US stocks declined yesterday as concerns grew around rising interest rates in the future. The US initial jobless claims hit a four-week high of 861,000 in the week ending February 13th, highlighting still-present uncertainty in the labour market. Meanwhile, US housing starts fell in January, the first time in five months, signalling that rising prices might be eroding buyer demand. The dollar softened, and 10yr US Treasury strengthened yet remained below the 1.31% level. Elsewhere, the pound touched the stronger level against the euro since March 2020, as the successful rollout of the vaccine spurred market optimism. Manufacturing and Services PMIs and UK retail sales are going to be released today, with the latter expected to slow down drastically from the previous month.

Prices on the LME were seen higher yesterday\* as risk appetite prompted the market. Copper prices traded up to \$8,633/t – an 8-year high, as China's traders returned from the holidays, but resistance at this level triggered a close lower at \$8,553/t. Copper cash to 3-months tightened up to \$20.25/t. Nickel saw the strongest gains today, edging higher to \$19,200/t to close marginally below at \$19,148/t. Aluminium prices also strengthened today, closing at \$2,137.50/t. Likewise, SHF aluminium closed on the front foot at CNY16,510/mt. Zinc was supported in the first half of the day but edged lower down to close at \$2,855.50/t. Lead range-bound, closing marginally higher on the day at \$2,117/t.

Oil futures traded higher yesterday as the freezing conditions in the US caused 4m bpd or 40% of the nation's crude production to go offline. At the time of writing, WTI and Brent are softer at \$59.76/bl and \$63.33/bl. Precious metals were mixed once again, with gold and silver edging down to \$1,770.50/oz and \$26.91/oz respectively.

\*All price data is from 18.02.2021 as of 17:30

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2112	2167	2112	2137.5	2113	20070	684524	-15.37	97.12
Copper	8440	8633	8440	8553	8413	26246	338908	18.99	388.78
Lead	2105	2149	2101	2117	2109	3417	114444	-14.25	96.50
Nickel	18765	19205	18725	19148	18775	10298	233064	-35.00	868.87
Tin	24390	25470	24350	24925	24540	618	14115	2237.00	1133.99
Zinc	2816	2871	2808	2855.5	2810	9100	237812	-20.25	130.07
					<b>Total:</b>	<b>69749</b>	<b>1622867</b>		

Official Prices							Monthly Avg	
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2147	2161	2189.88	2234.5	2101.55	2115	2042.57	2047.14
Copper	8650	8631	8121	7971	8403.25	8390	8150.00	8137.86
Lead	2132	2146.5	2181.5	2209.5	2094.5	2110.5	2067.36	2079.21
Nickel	18966	19003	19124	19200	18719.5	18760	18244.50	18289.21
Tin	28162	25250			27754	24570	25742.64	23531.21
Zinc	2837	2859.5	2856	2831.5	2794.75	2816	2693.79	2713.93

LME Stocks (tonnes)								Other Copper Markets	
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1365375	0	4525	-4525	1360850	229000	1131850	Comex, USc/lb	
Copper	76175	0	150	-150	76025	23300	52725	MAR 21	389.2 1.87
Lead	95950	300	150	150	96100	33450	62650	MAY 21	389.75 1.88
Nickel	249510	0	0	0	249510	64692	184818	Shanghai, CNY/mt	
Tin	1375	50	40	10	1385	100	1285	FEB 21	0 0.00
Zinc	281350	0	1500	-1500	279850	41925	237925	Mar 21	0 0.00

Global Markets			Currencies			Precious Metals			Previous Day's Fix
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	13887	-0.16	GBP	1.40	0.69	Gold	1776.16	0.00	1788.85 1780.70
DJI	31367	-0.78	JPY	105.71	0.15	Silver	27.08	-1.11	2711.5
S&P500	3892	-1.00	EUR	1.21	0.34	Gold Comex	1774.4	0.09	
SSE	3675	0.55	CNY	6.49	-0.45	Platinum	1263.48	0.68	
Hg Seng	30595	-1.58	AUD	0.78	-0.01	Palladium	2352.6	-0.87	
Brent	64	-0.16	RUB	73.96	-0.33				

Source: Bloomberg  
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