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Daily Base Metals Report

US stocks recovered some of the lost ground this afternoon following numerous data releases from the US, and President Biden suggesting he could set corporation tax below 28%. Economic data in the US saw the ADP employment change beat expectations at 978,000 vs 650,000. Initial jobless claims were 385,000 with continuing jobless claims at 3,771,000 as of May 22nd. The labour market continues to struggle due to a lack of workers, benefit schemes are still very generous, lowering the incentive to work, we expect this to improve as states start to reduce unemployment schemes in June and July. The USD strengthened today, exerting downward pressure on commodities, with the US 10 yr yield rallied to 1.62. Elsewhere, European stocks continue to outperform US stocks. Risk appetite in the bloc is strong as data improves, the ECB remain dovish, and vaccination rates quash covid cases.

Activity on the LME saw heavy selling pressure as Fed policymakers spoke of tapering bond buying. Zinc sold off the most, breaking through support at \$3,000 to close at \$2,984.50/t. Copper was next in line breaking through \$10,000/t to close at \$9,788/t, with the cash to 3month spread at \$18.75/t contango. Lead failed above \$2,215/t and closed on the back foot at \$2,173/t. Nickel closed at \$17,891/t with the spread at \$29.50/t contango. Tin closed at \$29,986/t but has recovered back above \$30,000/t after the close. Ali lost the least ground and closed down \$39 at \$2,405/t, with the cast to a 3-month spread at \$20.41/t. The SGX 62% Fe July contact softened marginally to \$196.5/t

Energy prices failed to hold onto the highs for today, with WTI and Brent trading at \$68.85/bl and \$71.11/bl. Precious metals were also weaker today, silver is down 2.95% at the time of writing at \$27.34/oz, gold traded through \$1,900/oz to \$1,870/oz where the market is finding support.

All price data is from 03.06.2021 as of 17:30

Base Metals Report

Thursday, 03 June 2021 17:00

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	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads C-3M	Conversion USc/lb
Aluminium	2440	2454	2391	2405	2435	11452	712803	-21.50	109.16
Copper	10133	10179	9762	9788.5	10114	23335	316111	-17.43	445.41
Lead	2209	2215	2160	2173	2207	4156	113108	16.75	98.23
Nickel	18210	18475	17760	17891	18205	8223	218384	-40.00	810.80
Tin	31010	31050	29935	29986	30950	475	11732	1810.00	1367.14
Zinc	3074	3083	2974	2984.5	3078	11221	267252	-21.25	135.06
				Total:		58862	1639390		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg Cash	3M
Aluminium	2386.5	2402.5	2447	2389.5	2423.4	2444	2430.00	2450.17
Copper	9967	9989.5	10090.5	9955.5	10130.65	10147.5	10099.00	10116.50
Lead	2193.5	2173	2212	2236	2234.74	2219.5	2200.33	2187.50
Nickel	17945	17972	18121	18266	18203.25	18236	18075.00	18110.67
Tin	32489	30445			32935	30845	32935.00	30690.33
Zinc	2977.5	2996.5	2997.5	2957	3061	3082.5	3027.33	3046.50

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets Last	% Change
Aluminium	1683675	0	9200	-9200	1674475	573875	1100600	Comex, USc/lb	
Copper	123350	2500	400	2100	125450	21975	103475	JUL 21	-3.23
Lead	95250	0	300	-300	94950	17175	77775	SEP 21	-3.23
Nickel	243630	0	468	-468	243162	60348	182814	Shanghai, CNY/mt	
Tin	875	500	0	500	1375	395	980	JUN 21	-0.26
Zinc	276025	5000	3900	1100	277125	43100	234025	Jul 21	-1.10

Global Markets

Global Markets		Currencies		Precious Metals		Previous Day's Fix				
Last	% Change	Last	% Change	Last	% Change	AM	PM			
DAX	15633	0.19	GBP	1.41	-0.51	Gold	1870.76	-1.97	1895.9	1902.75
DJI	34632	0.09	JPY	110.26	-0.63	Silver	27.31	-3.06		2774.5
S&P500	4199	-0.23	EUR	1.21	-0.71	Gold Comex	1870.5	-2.06		
SSE	3584	-0.36	CNY	6.40	-0.35	Platinum	1158.9	-2.99		
Hg Seng	28966	-1.13	AUD	0.77	-1.29	Palladium	2830.42	-1.00		
Brent	71	-0.56	RUB	73.27	-0.18					

Source: Bloomberg
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