

Authors

Daria Efanova
Research Analyst

FRI 13 AUGUST 2021 00:10

Daily Base Metals Report

US stocks fluctuated once again as investor sentiment waned compared to the previous day. US states unemployment benefited dropped for the third straight week, another sign of recovery in the labour market. US PPI rose by more than expected in July, as higher commodity prices and supply bottlenecks continue to weigh on producers. The dollar strengthened marginally, and the 10yr US Treasury yield picked up to 1.3590%. Asian stock market declined after China stated that it plans to introduce greater business regulation for businesses in the coming years. Elsewhere, the UK economy grew by 1.0% in June, above market expectations, as the final round of lockdown restrictions was lifted by months end.

Sentiment on the LME has been predominantly negative, and prices slipped on the downside in the second half of the day; only nickel rallied higher to close at \$19,678/t. Copper was weak and traded towards support at \$9,450/t; the market closed at \$9,467.50/t. Aluminium was also subject to moderate selling pressure testing the support at \$2,570/t to close at \$2,582.50/t. Zinc sold off and tested appetite around \$2,990/t, support at this level prompted a close at \$2,992.50/t; cash to 3-month spread widened out to -\$11.35/t. Lead and tin closed lower on the day at \$2,307/t and \$35,270/t, respectively.

Oil futures remained broadly unchanged, with WTI and Brent edged marginally higher to \$69.37/bl and \$71.54/bl. Precious metals were also mixed, with gold and silver trading at \$1,753.58/oz and \$23.26/oz, respectively.

For more in-depth analysis of base and precious metals, please see our [Quarterly Metals report](#).

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	Spreads	Conversion
								C-3M	USc/lb
Aluminium	2586	2608	2567	2582.5	2585	10884	680095	-2.00	117.01
Copper	9546	9610	9452	9467.5	9535	11778	285869	-31.75	429.96
Lead	2317	2343	2300	2307	2318	3321	124368	48.00	104.64
Nickel	19370	19765	19340	19678	19420	9425	220848	-19.00	892.91
Tin	35830	35955	35225	35270	35795	215	12733	615.00	1601.65
Zinc	3044	3056	2987	2992.5	3047	7489	252363	-11.35	135.97
					Total:	43112	1576276		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2602	2600	2546	2509	2582.75	2585.5	2590.444444	2592.722222	
Copper	9508.5	9539	9469	9419	9482.5	9512	9492.5	9517.888889	
Lead	2390	2338	2269	2239	2371.75	2318.5	2389.722222	2347.722222	
Nickel	19540	19551	19569	19604	19344	19368	19244.44444	19254	
Tin	36594	35708			36336	35631	36251.55556	34957.55556	
Zinc	3016.5	3025.5	2999.5	2930.5	3035.1	3043.5	2994.388889	3001.333333	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1340225	0	6650	-6650	1333575	496725	836850	Comex, USc/lb		
Copper	235925	0	150	-150	235775	13075	222700	SEP 21	436.75 0.31	
Lead	57850	100	200	-100	57750	18400	39350	DEC 21	436 0.32	
Nickel	205452	0	1440	-1440	204012	54624	149388	Shanghai, CNY/mt		
Tin	2245	0	65	-65	2180	1230	950	21-Aug	69850 0.60	
Zinc	246525	0	3800	-3800	242725	66425	176300	21-Sep	70250 0.57	

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15938	0.70	GBP	1.3826	-0.3029	Gold	1751.64	-0.0034	1734.05 1743.60
DJI	35447	-0.11	JPY	110.3900	0.0362	Silver	23.20	-1.4575	2341.5
S&P500	4451	0.07	EUR	1.1742	0.0256	Gold Comex	1753.8	0.029	
SSE	3525	-0.22	CNY	6.4795	0.0000	Platinum	1026.7	0.3136	
Hg Seng	26518	-0.53	AUD	0.7346	-0.3797	Palladium	2628.63	-0.4341	
Brent	71	-0.01	RUB	73.4865	-0.1259				

Source: Bloomberg
Updated: 8/12/2021 17:37

All price data is from 12.08.2021 as of 17:30

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).