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FRI 24 SEPTEMBER 2021 00:10

# Daily Base Metals Report

US stocks strengthened for the second day yesterday as investors assessed the Fed's monetary policy decision and China's Evergrande crisis. The dollar sold off, and the 10yr US Treasury yield rallied up to 1.3976%. The 10yr gilt picked up to test the May highs of 0.907% after the Bank of England brought up a possibility of a 2021 interest rate hike to help calm inflation, which is now expected to exceed 4% given the recent energy spike. Meanwhile, Chinese authorities signalled reluctance to bail out Evergrande, as they asked the local governments to prepare for the potential downfall of the company, even after they injected more cash into the financial system. From the monetary policy side, Chinese policymakers left the benchmark interest rates unchanged while holding the 1yr loan prime rate at 3.85%, in line with market expectations.

The LME metals were mostly higher on the day, only with copper closing marginally lower. Zinc saw the strongest gains in the second half of the day, closing near the highs of \$3,100/t at \$3,091/t. Nickel strengthened to test the resistance level at \$19,400/t to close lower at \$19,351/t. Aluminium fluctuated but closed higher on the day at \$2,949.50. Lead was also stronger, as it was supported above \$2,110/t, closing at \$2,120.50/t. Copper closed lower on the day despite the mid-day spike reaching \$9,385/t levels after the Chinese authorities' reluctance to bail out Evergrande; the metal closed at \$9,273.50/t, and the cash to 3-month spread widened out to \$10.95/t.

Oil futures edged higher alongside equities driven by a combination of the higher broader market as well as the weaker dollar. The WTI and Brent futures edged up higher to \$73.43/bl and \$77.23/bl. Precious metals fluctuated, with gold weakened into \$1,751.54/oz and silver up to \$22.70/oz.

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	2933	2978	2922	2949.5	2937	18730	650042	-17.25	133.81
Copper	9279	9385	9202	9273.5	9297	13121	259373	10.00	421.57
Lead	2116	2142	2112	2120.5	2122	9347	114823	11.00	96.80
Nickel	19140	19425	19010	19351	19130	5682	214419	14.00	877.71
Tin	35100	35580	34900	35460	35055	201	13179	1244.99	1608.46
Zinc	3025	3100	3015	3091	3028	12259	260956	-3.75	140.30
					<b>Total:</b>	<b>59340</b>	<b>1512792</b>		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2937	2951	2795.5	2608	2921.75	2935	2824.5	2836.941176	
Copper	9252	9251	9179	9060.75	9301.75	9286	9351.911765	9362.235294	
Lead	2139	2128.5	2105	2077	2124.75	2113.5	2283.088235	2241.705882	
Nickel	19235	19235	19095	19030	19235	19221	19602.94118	19572.05882	
Tin	36600	35100			36331	34997	34467.11765	33681.82353	
Zinc	3044	3057	3003	2878	3009	3025.5	3034.588235	3047.264706	

LME Stocks (tonnes)							Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change	
Aluminium	1304725	0	15650	-15650	1289075	586400	702675	Comex, USc/lb		
Copper	229725	0	3700	-3700	226025	83800	142225	SEP 21	425.25 3.02	
Lead	52650	0	50	-50	52600	19450	33150	DEC 21	425.2 3.05	
Nickel	165882	0	1272	-1272	164610	57384	107226	Shanghai, CNY/mt		
Tin	1205	0	25	-25	1180	505	675	21-Oct	68630 -1.11	
Zinc	221000	0	2100	-2100	218900	46925	171975	21-Nov	68470 -1.13	

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15644	0.88	GBP	1.3739	0.8589	Gold	1750.84	-0.9795	1775.35
DJI	34795	1.57	JPY	110.1900	-0.3721	Silver	22.70	0.0093	2273.5
S&P500	4450	1.23	EUR	1.1731	0.3765	Gold Comex	1751.9	-1.512	
SSE	3642	0.38	CNY	6.4589	0.0511	Platinum	999.27	-0.054	
Hg Seng	24511	1.19	AUD	0.7294	0.6485	Palladium	1980.79	-2.3106	
Brent	77	1.33	RUB	72.8323	0.2868				

Source: Bloomberg  
Updated: 23/09/2021 17:05

All price data is from 22.09.2021 as of 17:30

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