

Authors

Daria Efanova
Research Analyst

MON 04 OCTOBER 2021 00:10

Daily Base Metals Report

US stocks held their nerve after the worst sell-off since March 2020. IHS US manufacturing PMI grew at the fastest pace in four months, supported by robust demand and manufacturers working through the existing backlog. US consent sentiment has also improved, edging higher in late September, though it still remained historically low. The PCE index has grown by 4.3% y/y in August, the biggest increase since 1991. The dollar softened, and the 10yr US Treasury yield fell for the fourth day in a row. Elsewhere, Euro area inflation surged by 3.4% y/y, a 13-year high.

The metals on the LME recouped most of the previous sessions' losses, only with aluminium and zinc closing marginally lower on the day. Copper prices were well supported above \$8,900/t and tested resistance at \$9,140/t and closed lower at \$9,128/t. Nickel was well bid in the second half of the day, testing the resistance level of \$18,120/t, and closed lower at \$17,971/t. Lead prices remained supported above \$2,100/t before closing at \$2,982.50/t; the cash to 3-month spread tightened to \$40.00/t. Aluminium softened during the closing at \$2,857/t. Likewise, zinc was marginally unchanged as it struggled above \$3,020/t and closed at \$2,982.50/t.

Oil fluctuated but still finished the week on the front foot on Friday, ahead of the OPEC meeting. WTI and Brent gained ground into \$75.19/bl and \$78.58/bl. Precious metals were all higher on the day, silver rallied into \$22.54/oz, and gold was at \$1,761.54/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	2914	2930	2828	2857	2913	22450	653515	-16.90	129.43
Copper	9149	9204	8878	9128	9161	16319	258672	19.00	406.54
Lead	2143	2149	2060	2140.5	2135	6020	110516	27.50	95.07
Nickel	18270	18635	17725	17971	18270	7384	215892	15.50	818.29
Tin	35215	35715	31305	33835	35580	535	13593	1350.00	1549.94
Zinc	3048	3057	2984	2982.5	3046	9332	263386	-12.25	136.78
					Total:	62040	1515574		

Official Prices							Monthly Avg		
	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M	
Aluminium	2851	2867	2732	2610	2894.6	2911.5	2839.681818	2852.863636	
Copper	9041	9021	8965.75	8882	9174	9155	9324.068182	9329.704545	
Lead	2114	2088	2063	2035	2157	2140	2257.25	2220.454545	
Nickel	18180	18125	18020	17980	18357.5	18342	19398.40909	19364.31818	
Tin	36600	35300			36825	35450	35048.22727	34108.68182	
Zinc	3015	3026	2980	2868	3041.4	3054	3042.022727	3053.477273	

LME Stocks (tonnes)						Other Copper Markets			
	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1248625	0	10325	-10325	1238300	595550	642750	Comex, USc/lb	
Copper	220875	0	1350	-1350	219525	95325	124200	DEC 21	419.9 -1.08
Lead	52050	0	1150	-1150	50900	19175	31725	MAR 22	418.4 -1.47
Nickel	158274	0	1212	-1212	157062	52356	104706	Shanghai, CNY/mt	
Tin	1260	0	0	0	1260	700	560	21-Oct	68840 -0.72
Zinc	212575	0	3700	-3700	208875	41675	167200	21-Nov	68640 -0.87

Global Markets		Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	15301	-0.42	GBP	1.3502	0.5586	Gold	1762.26	2.0789	1741.65
DJI	34267	-0.36	JPY	111.5300	0.3855	Silver	22.17	2.9542	2232.5
S&P500	4358	-0.03	EUR	1.1590	-0.0690	Gold Comex	1764.8	2.432	
SSE	3568	0.90	CNY	6.4444	0.4097	Platinum	965.42	1.1621	
Hg Seng	24576	-0.36	AUD	0.7244	0.9476	Palladium	1910.73	2.6491	
Brent	78	-0.20	RUB	72.6392	0.2971				

Source: Bloomberg
Updated: 30/09/2021 16:28

All price data is from 01.10.2021 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).