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Daily Base Metals Report

US stocks fluctuated as investors continued to respond to the Fed's decision to begin to taper this month. The 10yr US Treasury yield softened into 1.5310%, as markets are no longer pricing in some of the rate hikes in 2022, after the Fed alluded to keeping interest policy unchanged in the meantime; the dollar rallied. US initial jobless claims fell to 269,000 in the week ending October 30, the lowest since March 2020; tomorrow's job report is forecast to increase up to 450,000, after a lacklustre 194,000 growth in the previous month. US productivity fell by the most since 1981 in Q3 2021, as the economy fared the worst wave of lockdown restrictions. The pound sold off after the BoE decided not to hike interest rates as was previously anticipated, whilst also cutting the 2022 growth outlook to 5%, down from 6%.

Metals weakened on the LME market yesterday after China cancelled its preferential electricity prices in some provinces, such as Yunnan. Aluminium sold off to test the support level at \$2,550/t before closing marginally higher at \$2,554.50/t. Copper was stronger in the first half of the day, but selling pressures prevailed, pushing the metal below \$9,500/t support level down to close at \$9,439/t. Zinc was another strong seller after it tested resistance at \$3,373/t; the metal closed at \$3,240.50/t, and the cash to 3-month spread tightened marginally into \$45/t. Nickel and lead were mostly range-bound but closed lower on the day at \$19,141/t and \$2,348/t.

Oil futures rebounded in the second half of the day as the OPEC+ rejected the need for higher oil output, approving a 400k b/l production hike in December. This resulted in the futures being broadly unchanged on the day, with WTI and Brent trading at \$80.96/bl and \$82.39/bl. Precious metals gained ground, with gold and silver edging up to \$1,792.88/oz and \$23.87/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	2681	2708	2539	2554.5	2686	25673	670500	-17.70	115.37
Copper	9511	9633	9369	9439	9481	14249	262449	190.00	429.28
Lead	2364	2393	2331	2348	2379	3559	116227	25.50	106.96
Nickel	19290	19490	18970	19141	19160	6897	217459	101.00	870.00
Tin	37170	37280	36350	37100	37050	178	13599	1005.00	1653.45
Zinc	3316	3373	3215	3240.5	3307	9619	261061	45.00	146.51
					Total:	60175	1541295		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2643	2666	2565.5	2518	2638.3	2656	2685.5	2704.5
Copper	9785	9570	9330.25	9242.5	9648.5	9458.5	9825.5	9542.5
Lead	2412.5	2378	2298	2228	2401.25	2374.5	2422	2385.375
Nickel	19590	19450	19165	18995	19263	19162	19711.25	19575
Tin	38300	37100			38290	37110	38437.5	36937.5
Zinc	3342	3301	3123	2823	3350.5	3307	3384.375	3328.75

Monthly Avg

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	1019825	0	10100	-10100	1009725	387875	621850	Comex, USc/lb	
Copper	126475	925	4000	-3075	123400	84950	38450	DEC 21	432.1
Lead	54425	0	0	0	54425	11750	42675	MAR 22	430
Nickel	139878	0	1782	-1782	138096	65178	72918	Shanghai, CNY/mt	
Tin	645	25	0	25	670	225	445	21-Nov	70820
Zinc	194700	0	1150	-1150	193550	45875	147675	21-Dec	70270

Other Copper Markets

Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix	
Last	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	16030	0.44	GBP	1.3489	-1.4466	Gold	1792.30	1.269	1781.85
DJI	36048	-0.30	JPY	113.7300	0.2462	Silver	23.86	1.4626	2358
S&P500	4672	0.24	EUR	1.1546	-0.5684	Gold Comex	1793	1.650	
SSE	3527	0.81	CNY	6.3972	0.1469	Platinum	1030.17	-0.2286	
Hg Seng	25225	0.80	AUD	0.7397	-0.6847	Palladium	2000.6	-0.3933	
Brent	82	-0.28	RUB	71.7646	-0.2869				

Source: Bloomberg
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All price data is from 04.11.2021 as of 17:30

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