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Daily Base Metals Report

US stocks softened yesterday, driven mostly by technology firms, as markets assessed the consequences of the renewed term for Powell and what it means for the monetary policy outlook. As a result, US 10yr Treasury yields jumped up to 1.666%, while 2yr broke above 0.6% for the first time since March last year when the yields sold off amidst the peak of the pandemic. The dollar softened marginally, and the previous day's gains cooled somewhat as it found resistance at 96.60 – a July 2020 high. The lira weakened by 15% yesterday after President Erdogan defended the pursuit of lower interest rates to boost economic growth. IHS Markit flash composite, a gauge of business activity, slipped to 56.5; while expansionary, manufacturers seem to struggle to cope with the continued supply chain disruptions. We await FOMC minutes tomorrow, alongside GDP and labour data, which are forecast to recover from the previous data release.

Metals prices consolidated yesterday as activity on the LME was subdued. Aluminium fluctuated for most of the day before falling below the support level of \$2,670/t to close at \$2,668.50/t. Likewise copper whipsaw between gains and losses as it tested resistance \$9,792/t before closing lower at \$9,710.50/t. Zinc lost ground, falling below the support level of \$3,300/t, and closed at \$3,301/t. Nickel closed at \$20,349/t. The easing of property regulation has caused steel and iron ore to rally as steel demand is expected to improve; SGX Iron ore has rallied back to \$97.8/t.

Oil futures strengthened after the US, alongside countries such as China and India, agreed to tap into 50m barrels of crude reserves to help mute the prices. WTI and Brent traded at \$78.53/bl and \$82.07/bl. Gold continued to sell off, offsetting gains made in the first half of the month after Jerome Powell was selected for a second term. All precious metals were seen lower on the day, with gold and silver falling to \$1,782.62/oz and \$23.34/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	2689	2710	2666	2668.5	2690	8411	678967	4.00	121.41
Copper	9673	9792	9650	9710.5	9672	12024	254906	109.00	441.58
Lead	2251	2272	2240	2253	2249	2675	117955	16.50	102.29
Nickel	20315	20685	20220	20349	20275	7711	221391	158.00	921.26
Tin	38805	39000	38600	38870	38945	217	14041	1113.00	1764.49
Zinc	3356	3375	3296	3301	3356	7075	268633	74.00	149.78
					Total:	38113	1555893		

Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	2691	2685	2645	2531	2693.49	2689.5	2633.411765	2642.176471
Copper	9825.5	9722	9625	9543	9835.5	9726.5	9768.852941	9575.647059
Lead	2277	2255.5	2222.75	2190.75	2271	2259.5	2352.852941	2327.852941
Nickel	20590	20425	19909	19689	20494	20336	19778.23529	19655.58824
Tin	40200	38760			39902	38817	39005.88235	37651.17647
Zinc	3422	3345	3173.5	2958.5	3401.25	3348.5	3300.852941	3260.294118

Monthly Avg

LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	943125	0	7375	-7375	935750	361800	573950	Comex, USc/lb		
Copper	86525	800	5725	-4925	81600	18825	62775	DEC 21	439.65	-0.25
Lead	57800	500	525	-25	57775	11025	46750	MAR 22	439.65	0.01
Nickel	121218	0	3054	-3054	118164	49434	68730	Shanghai, CNY/mt		
Tin	955	75	15	60	1015	170	845	21-Nov	71440	0.83
Zinc	175025	0	3600	-3600	171425	42350	129075	21-Dec	70970	0.75

Global Markets

Last	% Change		Last	% Change		Last	% Change		Previous Day's Fix	
									AM	PM
DAX	15937	-1.11	GBP	1.3386	-0.0821	Gold	1782.99	-1.2002	1841.1	1816.05
DJI	35650	0.09	JPY	114.9900	-0.0957	Silver	23.35	-3.4212		2469
S&P500	4668	-0.33	EUR	1.1265	0.2492	Gold Comex	1784.8	-1.343		
SSE	3589	0.20	CNY	6.3920	-0.1079	Platinum	965.59	-4.7892		
Hg Seng	24652	-1.20	AUD	0.7221	-0.0554	Palladium	1870.57	-4.516		
Brent	82	2.96	RUB	74.3040	0.7192					

Source: Bloomberg
Updated: 23/11/2021 17:00

All price data is from 23.11.2021 as of 17:30

Risk warning

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