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SAT 27 NOVEMBER 2021 00:10

Daily Base Metals Report

Most of the markets are down today, as investors assessed the impact of COVID-19 spread in Europe and the new variant found in South Africa. Information is still coming out, and therefore it is hard to judge the impact of COVID-19 on the markets into the next year. The key will be to watch out for government response to these outbreaks, whether through the imposition of lockdown restrictions or provision of economic relief, as we saw last year. The dollar and US Treasury yields sold off as investors pushed back the timing of the rate hike by the Fed.

The metals are all weaker across the board in line with the general sell-off seen in the markets. Nickel pulled back from 1-month highs of \$21,240/t and has now breached support of \$20,000/t to close at \$19,897/t. Aluminium is seen falling towards the support levels of \$2,600/t and \$2,570/t, a robust level that the futures struggled to break below this month; the metal closed just above at \$2,615/t. Zinc and copper sold off to close at \$3,194/t and \$9,460/t, respectively. Lead was the only one that managed to recover some of the earlier losses, closing marginally unchanged on the day at \$2,269/t. More COVID restrictions would lead to further supply chain disruptions adding to tightness and keeping spreads in backwardation.

Oil futures collapsed by more than 10% today, as fears of new COVID-19 strain put in question the outlook for demand. WTI and Brent now trade at \$68.84/bl and \$73.40/bl, the September lows. In line with other safe havens, gold jumped higher in the first half of the day but quickly offset these gains and is now trading in line with yesterday's levels of \$1,784.16/oz; silver is trading at \$22.94/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	2718	2722	2596	2615	2715	19079	673896	11.50	117.82
Copper	9751	9771	9445	9460	9761	22603	262641	112.00	429.28
Lead	2274	2289	2212	2269	2282	4055	114226	37.00	102.49
Nickel	20705	20730	19705	19897	20725	11593	225358	188.00	907.19
Tin	39475	39610	38500	38652	39875	190	14315	955.00	1750.88
Zinc	3295	3310	3163	3194	3311	9631	267682	130.50	144.67
					Total:	67151	1558118		

Official Prices	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Monthly Avg	Cash	3M
Aluminium	2618.5	2619	2591.25	2476.25	2726	2717.5	2641.3	2648.1	
Copper	9630	9520	9368	9267	9891.5	9801.5	9774.225	9599.55	
Lead	2296	2259	2240.75	2193.75	2307	2270.5	2347.275	2319.075	
Nickel	20235	20075	20124	19874	20855	20667	19933.75	19806	
Tin	40275	39200			40784	39709	39231.25	37911.25	
Zinc	3331	3217	3084	2844	3393	3300.5	3315.35	3265.85	

LME Stocks (tonnes)	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	919225	2375	5750	-3375	915850	339525	576325	Comex, USc/lb		
Copper	82600	1500	300	1200	83800	19350	64450	DEC 21	428.6	-3.88
Lead	57400	0	50	-50	57350	10275	47075	MAR 22	429.4	-3.95
Nickel	116712	0	1266	-1266	115446	55884	59562	Shanghai, CNY/mt		
Tin	1190	40	0	40	1230	190	1040	21-Nov	71280	-1.14
Zinc	165225	0	1950	-1950	163275	36700	126575	21-Dec	71060	-1.18

Global Markets	% Change		Currencies	% Change		Precious Metals	Previous Day's Fix			
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	15257	-4.15	GBP	1.3322	0.0000	Gold	1786.70	-0.1202	1790.65	1788.15
DJI	34900	-2.53	JPY	113.4000	1.7284	Silver	23.12	-2.0496		2369
S&P500	4598	-2.21	EUR	1.1297	0.7851	Gold Comex	1786.9	0.000		
SSE	3564	-0.56	CNY	6.3933	-0.1111	Platinum	960.75	-3.8076		
Hg Seng	24081	-2.67	AUD	0.7125	-0.9040	Palladium	1771.73	-4.9445		
Brent	74	-10.20	RUB	75.5830	-1.1808					

Source: Bloomberg
Updated: 26/11/2021 17:14

All price data is from 01.11.2021 as of 17:30

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