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# Daily Base Metals Report

US stocks strengthened as the corporate earnings results were released today, shifting market attention from the Treasury yields. US existing-home sales dropped for the first time in four months in December, driven in large by low housing inventory. US initial jobless claims climbed to a 3-month high of 286,000 as the omicron variant meant more layoffs in the service sector. On the other hand, the Philadelphia Fed survey doubled market expectations in December, a contrast to disappointing survey results from NY state earlier this week. The dollar and the 10yr US Treasury yield both were range-bound. The geopolitical tensions between Russia and Ukraine continue to mount, bringing into question the scale and extent of sanctions that could be introduced by the US and Europe. Meanwhile, China cut borrowing costs once again today, down by 10bps to 3.7%, as the central bank pledged more easing is to come.

Metals prices continued to rally after a strong overnight session in China for nickel and tin particularly strong. Nickel prices rallied to test \$24,000/t and close at \$23,795/t. Cash to 3-month spread is at \$330/t, but we continue to see a squeeze on SHFE and now the reverse arb. Copper prices rallied through \$10,000/t once again as the PBOC cut rates to close at \$9,900/t. Aluminium was also higher today, closing at \$3,111/t. Lead was more range-bound as it found support at \$2,350/t to close higher at \$2,349.50/t.

Oil futures hovered near the 2014 highs on the back of a modest increase in crude inventories. WTI and Brent traded at \$87.65/bl and \$89.39/bl. Gold was unchanged, while silver continued to break higher, now at \$24.59/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	3047	3117	3017	3111	3053	18504	641692	21.00	141.20
Copper	9811	10018	9797	9990	9821	14042	238738	28.25	454.32
Lead	2359	2375	2344	2349.5	2358	2732	97970	4.50	107.37
Nickel	23250	24435	23110	23795	23170	15206	223027	330.00	1077.29
Tin	42905	44180	42710	43497	42940	395	14430	695.00	1970.88
Zinc	3588	3656	3578	3649.5	3590	8111	250170	26.50	165.84
					<b>Total:</b>	<b>58990</b>	<b>1466027</b>		

#### Official Prices

	Cash	3m	Dec Yr 1	Dec Yr 2	PD Cash	PD 3M	Cash	3M
Aluminium	3109.5	3082	2776.49	2556.49	3058	3050.5	2960.576923	2964.230769
Copper	9925	9906	9655	9395	9864	9841.5	9759.192308	9741.423077
Lead	2370	2367	2229.5	2149.5	2368.44	2363	2341.730769	2326.384615
Nickel	23900	23585	22205	22055	23484	23154	21896.15385	21641.53846
Tin	44195	43600			43401	42896	41247.69231	40819.61538
Zinc	3674	3645	3207.5	2883.5	3602	3581.5	3587.923077	3559.153846

#### Monthly Avg

#### LME Stocks (tonnes)

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Other Copper Markets	Last	% Change
Aluminium	878750	0	5100	-5100	873650	409550	464100	Comex, USc/lb		
Copper	98750	100	125	-25	98725	17350	81375	MAR 22	447	2
Lead	54050	0	25	-25	54025	13100	40925	MAY 22	447.35	2.02
Nickel	94830	552	552	0	94830	45984	48846	Shanghai, CNY/mt		
Tin	2155	50	5	45	2200	255	1945	21-Nov	0	0.00
Zinc	175525	0	3150	-3150	172375	41075	131300	21-Dec	70750	1.13

#### Global Markets

Global Markets			Currencies		Precious Metals			Previous Day's Fix		
Last	% Change		Last	% Change	Last	% Change	AM	PM		
DAX	15912	0.65	GBP	1.3642	0.2204	Gold	1842.29	0.0951	1817.5	1826.95
DJI	35412	1.09	JPY	114.1000	0.2016	Silver	24.60	1.9268		2377.5
S&P500	4593	1.32	EUR	1.1336	-0.0617	Gold Comex	1844.2	-0.070		
SSE	3555	-0.09	CNY	6.3411	0.0631	Platinum	1051.93	2.4604		
Hg Seng	24952	3.42	AUD	0.7266	0.7627	Palladium	2069.73	3.086		
Brent	89	0.62	RUB	76.5406	-0.4327					

Source: Bloomberg  
Updated: 20/01/2022 17:06

All price data is from 20.01.2022 as of 17:30

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