

Tuesday, 25 October 2016 17:00

## Market Commentary

Today saw sharp upside moves on the LME from the opening of the Asian session particularly on Al/copper/zinc, related to LME/SHFE 'arb' trading. Turnover was high across these contracts as shorts on the LME were covered. Al cleared yesterday's high at 1640, racing to test 1685/90 area before forward selling capped the move. Zinc moved up through the 2330 level to 2375 with stronger resistance expected above 2400 should the upwards momentum continue. Likewise copper surged to 4750 before drifting back with narrowing of contangos as large positions were adjusted. Similar strong moves were also noted in Chinese coal and iron ore markets, which have in recent months become very "spec" driven.

From the US, consumer confidence fell – the Oct index reading was 98.6 from 103.5 in Sept.

The afternoon saw LME prices retreat from the earlier highs but 5pm closes were all up on the day. The USD remained "bid" and crude oil was trading slightly lower. US equities were also lower on weaker corp earnings forecasts. Spot gold still in the short term range 1260/75.

Liz Grant, Senior Account Executive

### LME Metals 3-Months

### Spreads Conversion

	Open	High	Low	5pm Close	PDC	Volume	Total O.I	C-3M	USc/lb
Aluminium	1636	1686	1634	1669	1635	24130	709778	-6.00	75.77
Copper	4649	4755	4647	4735	4644	27781	314807	-12.75	214.89
Lead	2034	2080	2034	2052.5	2032	4911	124887	-13.75	93.62
Nickel	10155	10350	10140	10225	10160	7294	251169	-36.00	464.48
Tin	20070	20325	20040	20300	20035	500	19274	235.00	920.58
Zinc	2320	2376	2316	2367	2321	17174	308933	-11.00	107.43
<b>Total:</b>						<b>81790</b>	<b>1728848</b>		

### Official Prices

### Monthly Average

	Cash	3m	Dec Yr 1	Dec Yr 2	Dec Yr 3	PD Cash	PD 3M	Cash	3M
Aluminium	1651	1659	1700	1753	1810	1624.25	1630.5	1656.71	1662.50
Copper	4720	4733	4770	4805	4835	4618.75	4638	4721.71	4742.59
Lead	2069	2079.5	2105	2122	2140	2009	2022	2035.50	2045.76
Nickel	10255	10320	10505	10630	10705	10067.5	10105	10252.35	10301.47
Tin	20490	20175				20190	19975	20026.76	19883.53
Zinc	2358	2371	2382	2348	2310	2300.25	2312	2300.82	2311.59

### LME Stocks (tonnes)

### Other Copper Markets

	Opening	In	Out	Net Change	Closing	C-warrants	Open Tonnage	Last	% Change
Aluminium	2182275	0	22325	-22325	2159950	793000	1366950	<b>Comex, USc/lb</b>	
Copper	339950	525	1675	-1150	338800	103975	234825	DEC 16	213.85 2.17
Lead	188925	300	600	-300	188625	33400	155225	MAR 17	214.95 2.19
Nickel	363288	0	864	-864	362424	124596	237828	<b>Shanghai, CNY/mt</b>	
Tin	2960	0	25	-25	2935	1805	1130	NOV 16	37860 1.45
Zinc	454100	0	1125	-1125	452975	63475	389500	DEC 16	37780 1.37

### Global Markets

### Currencies

### Precious Metals

### Fixes

	% Change		Last	% Change	Last	% Change	AM	PM	
DAX	10757	-0.04	GBP	1.2153	-0.69	Gold	1272.96	0.67	1269.3 1269.40
DJI	18165	-0.32	JPY	104.28	-0.10	Silver	17.76	0.93	1773
S&P500	2145	-0.30	EUR	1.0885	0.03	Gold			
SSE	3132	0.12	CNY	6.7804	-0.08	Comex	1273.50	0.78	
Hg Seng	23565	-0.17	AUD	0.7647	0.47	Platinum	966.38	2.75	
Brent	50.85	-1.19	RUB	62.12	0.18	Palladium	639.64	0.94	

Source: Bloomberg  
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