

Metal Matters

Your Weekly Update on the Global Metal Markets



Upcoming:

China's Bright Future –
Wednesday 11th August @
9.30am

Week in Review

In equities, the pandemic continued to cast its shadow over global markets. The DJIA and S&P500 experienced a slow week, closing higher by 0.41% and 0.17% respectively whilst the NASDAQ, DJUA, NYSE Composite all closed lower by 0.40%, 0.43% and 0.17% respectively. In Europe, the commodity-heavy FTSE100 fell 0.2% while the CAC40 and DAX saw 0.2% increases by the end of the week. The STOXX however, noted its strongest weekly gains since March at 1.6%.

More broadly, precious and industrial metals tumbled as investors expect a resurgence in the delta variant and stimulus pullbacks. Miners including Rio Tinto, BHP Group and Glencore experienced losses following weaker metal prices.

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The Bloomberg logo, featuring a white letter 'B' on a green square background.



Metals in the News

Precious metals experienced huge selloffs following optimistic US employment data, signalling a stronger USD. 943,000 additional jobs were created in July, 70,000 higher than expected, decreasing the unemployment rate from 5.9% to 5.4%. As the US reported its 5th strongest monthly increase in employment, gold prices plummeted from last week, falling from \$1,817/oz to \$1,745.28/oz by close. Silver followed trend closing at \$23.91/oz from dropping 8.67% earlier in the week. Following the dips, the silver price is expected to correct as it entered the oversold territory with an RSI of 18, relying on the perceived buying opportunity.

Platinum dropped to a seven-month low following lower auto production due to supply shortages with computer-chips. Closing the week at \$978.59/oz sees platinum 20% below its February peak. The price pressure surrounding platinum avoided the concerns of supply chain disruptions in South Africa however, was affected by lower than expected automobile production numbers. Palladium refused to follow the sharp dips experienced by the precious metals, although still closing low at \$2,626/oz, just shy of June's low of \$2,570/oz.

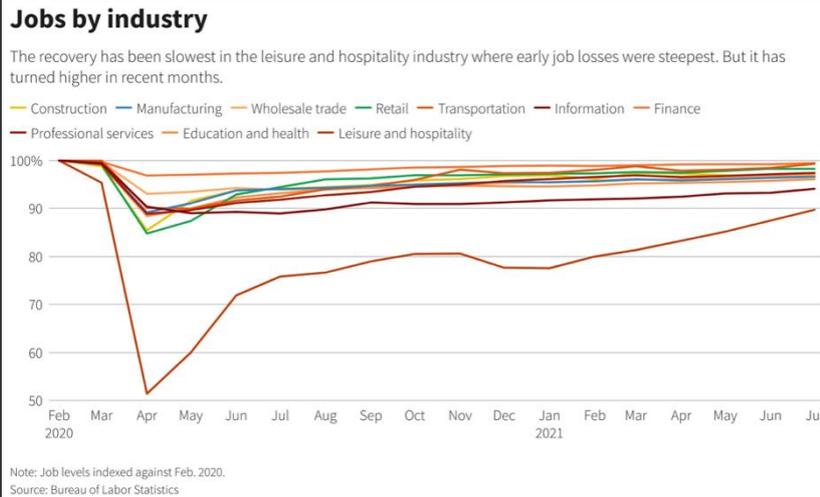
Following on from high industrial consumption over July, copper demand evened out following pandemic recovery, closing at \$9,529.5/tonne. Although demand weakened in China due to the tighter import regulations, US copper consumption jumped 22% yoy over January to May. Nickel closed at \$19,553/tonne. In related news, a fire broke out at an Indonesian nickel smelter which threatened supply and, Chinese ports were closed following typhoons however this is not expected to be disruptive going forward.

The Week Ahead

Early in the week, China is expected to release inflationary data and Germany will release their Trade Balance from June. Later in the week, the UK will release their Trade Balance, GDP growth rate and industrial production - as the US reports their inflationary rate.



Graph of the Week



Metals – Spot Price

Metal	Price 9th Aug USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA	Price vs 200d MA	Change in Futures positioning
Gold	1,763	-2.8%	-2.8%	-7.1%	-3.1%	-3.0%	-1.5%
Silver	24.3	-4.6%	-4.6%	-7.8%	-7.3%	-6.2%	15.8%
Platinum	984	-6.5%	-6.5%	-8.3%	-10.6%	-11.9%	-25.4%
Palladium	2,629	-1.3%	-1.3%	7.4%	-3.4%	2.7%	-25.4%
Copper	9,446	-2.6%	-2.6%	21.9%	-1.1%	7.6%	-6.1%
Nickel	19,533	-1.8%	-1.8%	18.1%	5.7%	12.3%	145.9%

Note: All performance data to 9th August. Future positioning based on CFTC and SHFE data. Past performance is not an indicator of future performance and the value of an investment may fall as well as rise. Investors take on currency risk when taking unhedged exposure to commodities. Source: Bloomberg, NTree

GPF ETC Listings on LSE, Xetra, SIX & Borse Italiana

Product	LSE (USD)	SEDOL	LSE (GBX)	SEDOL	Xetra (EUR)	WKN	Borsa Italiana (EUR)	SIX (CHF)	Valor	ISIN	TER %
GPF Physical Gold ETC	TGLD	BMYCKG1	TAUS	BKQMV54	OIIA	A3GNPX	TGLD	TGLD	58961848	XS2265368097	0.145
GPF Physical Silver ETC	TSLV	BMYCKH2	TAGS	BKQMV55	OIIB	A3GNP0	TSLV	TSLV	58847211	XS2265369574	0.200
GPF Physical Platinum ETC	TPLT	BMYCKJ4	TPTS	BKQMW03	OIIC	A3GNPZ	TPLT	TPLT	58847471	XS2265369731	0.200
GPF Physical Palladium ETC	TPAL	BMYCKK5	TPDS	BKQMV21	OIID	A3GNPY	TPAL	TPAL	58847495	XS2265370234	0.200
GPF Physical Copper ETC	TCOP	BMYLVM1	TCUS	BMYLVL0	OIIE	A3GQ0Q	TCOP	TCOP	112161508	XS2314659447	0.850
GPF Physical Nickel ETC	TNIK	BMYLVO5	TNIS	BMYLVN2	OIIF	A3GQ0R	TNIK	TNIK	112161525	XS2314660700	0.750

Trading:

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood



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