

# Metal Matters

Your Weekly Update on the Global Metal Markets



## Upcoming:

**The Future of Metals  
Conference, London:**  
Wednesday 8<sup>th</sup> August @  
2.30pm BST

## Week in Review

Markets got a shot in the arm at the start of the week after the FDA provided Pfizer Covid vaccine with full approval status, however speeches by FED officials on bringing forward tapering weighed on markets during the week. The US labour market continued to strengthen and the US Commerce dept. revised Q2 GDP estimates to 6.6% up from 6.5%. European stock markets continued to strengthen on the back of optimism over Covid vaccination rates and the impact on economic growth whilst the August PMI of 59.5 indicated continued expansion. Over in the UK, the composite PMI dropped to 55.3 on a weaker services sector.

In China, the PBOC urged key financial institutions to support lending to the economy suggesting the government is attempting to forestall a weakening economy. In a positive development, the Chinese Securities Commission plans to cooperate with the SEC on auditing of Chinese companies trading in the US – which should draw a line under fears of widespread delisting of Chinese companies from US exchanges.

The LinkedIn logo, consisting of the lowercase letters 'in' in white on a blue square background.



A white capital letter 'B' on a green square background.



## Metals in the News

GPF slashed fees on its physical gold ETC to 0.12% to make it one of not the cheapest physical gold ETCs in the market.

In an interesting interview with Bloomberg, John Paulson who famously bet against the US housing market in 2008, warned on rising inflation and expects gold to go parabolic in response.

BHP's Cerro Colorado copper mine in Chile was back in the limelight with a union rejecting the company's latest offer setting up a potential strike at the copper mine. Whilst workers at Codelco's Andina mine in Chile continue to strike and are looking to negotiate a more equitable distribution of profits. Whilst over in Peru, the government is seeking to tax miners more when metal prices are high.

The battle for nickel powered electric batteries has heated up with Australian billionaire, Andrew Forrest (of Fortescue Metals), going head to head with BHP to acquire Canadian nickel developer Noront Resources. With sales bans of ICE vehicles expected to start in 2030 and EV sales expected to compensate, nickel is due to be a key beneficiary of EV growth.

## The Week Ahead

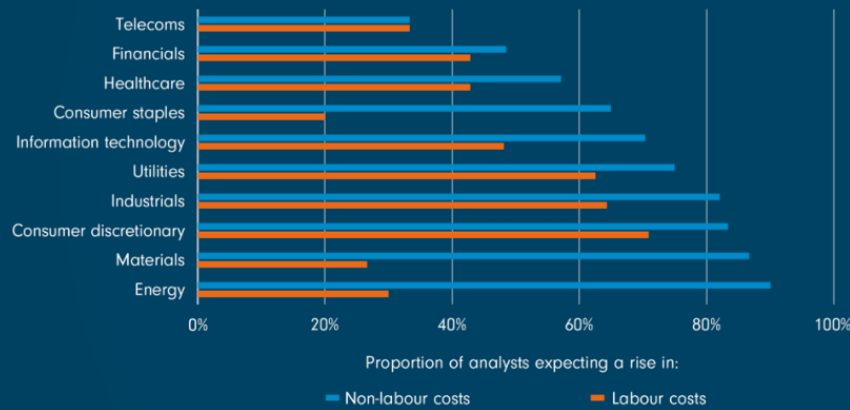
The month-end will be rich with economic releases including key data on inflation from Germany, China's PMIs, EU sentiment, unemployment and inflation data, US consumer confidence and non-farm payroll data.



# Diagram of the Week

## Fidelity analysts expect inflationary pressures to keep rising for now

Source: Fidelity International



What are your expectations for total labour costs over the next 6 months compared to current levels? and "What are your expectations for total non-labour costs over the next 6 months compared to current levels?" Source: Fidelity International Analyst Survey, May 2021.

## Metals – Spot Price

Metal	Price 27 Aug USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA	Price vs 200d MA
Gold	1,818	2.0%	0.2%	-4.3%	1.4%	0.4%
Silver	24.0	4.3%	-5.7%	-9.0%	-4.1%	-7.1%
Platinum	1,013	1.5%	-3.7%	-5.6%	-4.2%	-10.0%
Palladium	2,423	6.4%	-9.0%	-1.1%	-8.2%	-5.8%
Copper	9,424	4.2%	-2.9%	21.6%	0.3%	5.3%
Nickel	18,914	1.9%	-4.9%	14.4%	0.4%	7.2%

Note: All performance data to 27<sup>th</sup> 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	BM YCKG1	TAUS	BKQMV54	OIIA	A3GNPX	TGLD	TGLD	58961848	XS2265368097	0.145
GPF Physical Silver ETC	TSLV	BM YCKH2	TAGS	BKQMV55	OIIB	A3GNP0	TSLV	TSLV	58847211	XS2265369574	0.200
GPF Physical Platinum ETC	TPLT	BM YCKJ4	TPTS	BKQMW03	OIIC	A3GNPZ	TPLT	TPLT	58847471	XS2265369731	0.200
GPF Physical Palladium ETC	TPAL	BM YCKK5	TPDS	BKQMV21	OIID	A3GNPY	TPAL	TPAL	58847495	XS2265370234	0.200
GPF Physical Copper ETC	TCOP	BM YLVM1	TCUS	BM YLVLO	OIIE	A3GQ0Q	TCOP	TCOP	112161508	XS2314659447	0.850
GPF Physical Nickel ETC	TNIK	BM YLVQ5	TNIS	BM YLVN2	OIIF	A3GQ0R	TNIK	TNIK	112161525	XS2314660700	0.750

Trading:

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood



## Disclaimer

For professional clients and eligible counterparties only.

NTree International Limited (“NTree”) is an appointed representative of Messels Ltd. which is authorised and regulated by the Financial Conduct Authority. This document does not constitute an offer to buy or sell or a solicitation of an offer to buy securities in any company.

This document is not intended for distribution to any other country where such distribution or use would be contrary to local law or regulation. Specifically, this document is not intended for general distribution in the United States or Canada. Investing in financial markets involves a substantial degree of risk. Nothing described herein is intended to imply that an investment is “safe”, “conservative”, “risk free” or “risk averse”.

This document does not consider the specific investment objective, financial situation or particular needs of any potential investor and is intended only for those investors who are capable of understanding the risk of loss of all or a substantial part of their monies. Potential investors in the UK are reminded that they will not benefit from the UK investors compensation scheme.

Nothing contained herein constitutes investment, legal, tax or other advice nor is to be relied upon in making an investment or other decision. No recommendation is made positive or otherwise, regarding individual securities or investments mentioned herein. Any summary list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in ETC Securities. Prospective clients must consult with their own legal, tax and financial advisers before deciding to invest.

This document contains the opinions of the author, and such opinions are subject to change without notice. The source of data is NTree unless otherwise stated. No guarantee is made to the accuracy of the information provided which has been obtained from sources believed to be reliable. This document and the information contained herein is intended only for the use of persons (or entities they represent) to whom it has been provided.

NTree is the distribution partner for the GPF range of physically backed metal Exchange Traded Commodities (“ETC” or “ETC Securities”).

## Risk Factors

Investment in the ETC Securities will involve a significant degree of risk. Investors may lose the value of their entire investment or part of it. Each prospective purchaser of, or investor in, ETC Securities should be familiar with instruments having characteristics similar to the ETC Securities and should fully understand the terms of the ETC Securities and the nature and extent of its exposure to risk of loss.

**Performance and capital loss:** Past performance is not a reliable indicator of future results. The value of an investment may go down as well as up and can result in losses, up to and including a total loss of the amount initially invested.

**Generic risks:** Investments in ETCs involve numerous risks including, but not limited to, metal market risks, foreign exchange risks, interest rate risks, and liquidity risks.

Potential investors should refer to the section entitled “Risk Factors” in the Prospectus relating to the GPF Physical Metal ETC Securities Programme for further details of these and other risks associated with an investment in GPF ETCs and consult their financial advisers as needed.