

# Metal Matters

Your Weekly Update on the Global Metal Markets



## Upcoming BrightTalks:

[Metals Outlook in the Net Zero Transition with Tom Kendall, ICBC Standard Bank](#) –  
20<sup>th</sup> October @ 10.00am BST

[Electric Vehicles and Renewables with Charlie Durant, CRU](#) –  
27<sup>th</sup> October @ 10.00am BST

## Week in Review

Dr Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases, stated that he hoped Pfizer and BioNTech's vaccine emergency-use authorization would be finalized for children aged 5-12 in late October, after the companies found that two doses of 10mg of the vaccine had proved safe and effective in children. Joe Biden signed into law a short-term spending bill to keep the US federal government running through early December, just hours before a partial shutdown was due. Regarding the debt limit, Majority Leader Chuck Schumer said the chamber would consider another house-passed bill to raise the debt ceiling "as early as next week". For the month of September, the Dow Jones recorded a 4.3% decline, and the S&P 500 was down 4.8% - destroying a 7-month winning streak. The Nasdaq had its worst September in almost a decade, sinking 5.3%.





## Metals in the News

While investors reposition for the 4<sup>th</sup> quarter, gold has enjoyed its first weekly gain since the beginning of September. This is thanks to a weaker dollar amidst US federal government uncertainty and worries about rising inflation and risks to growth countering bets for interest rate hikes. Saxo Bank analyst, Ole Hansen, told Reuters that soaring energy prices due to a crunch in China and Europe will likely hit growth and earnings, leading to a volatile October that will buoy gold prices.

Silver has also suffered after hitting a high of \$24.86 on the 3<sup>rd</sup> of September, which also coincided with the break of the 50-day Simple Moving Average (SMA) at \$24.87. Ending the week at \$22.54, bulls are hopeful that the resistance level of \$22.50 will be followed by the psychological \$23.00 mark.

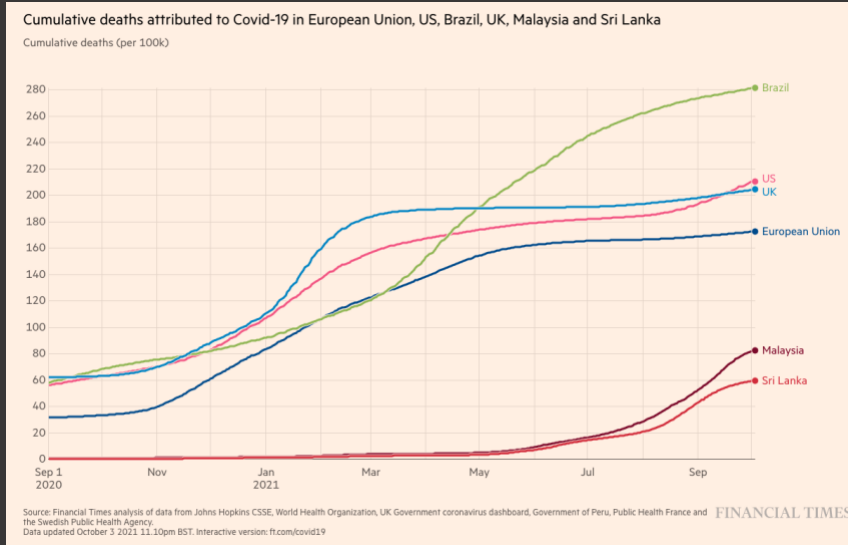
Vladimir Potanin, president of Norilsk Nickel, stated that capital expenditures should be brought to a higher level than dividend payouts, as it continues to make CapEx front and centre to address its 2014 policy to drastically reduce their carbon footprint, increase the well-being of its workforce, the indigenous populations, and the transition to the green economy. Their CapEx investments grew 33% last year and amounted to \$1.8bn due to the growing investments in infrastructure modernization and industrial safety. Mr. Potanin stated that “The government gave Norilsk Nickel time to bring its dividend policy in line with the expectations of the society and the authorities. That's why we have to revise the dividend formula to make the social payments unambiguously higher than dividends while maintaining a certain level of profitability for shareholders.”

## The Week Ahead

Economic data releases start on Monday with US manufactured goods orders for August, a strong signal of a recovering economy. In July, they slightly exceeded expectations and grew 0.4% - however, this was a slowdown from June when orders jumped 1.5% - August's forecasts are set to grow 1%. The US trade deficit for August is also due to be released on Tuesday after having narrowed to \$70bn in July, driven by a drop in the goods deficit and a surplus in services. For August, this figure is expected to grow slightly to \$70.5bn on the back of a stronger dollar. On Friday, US Non-Farm Payroll figures will also come out, after missing consensus expectations by a large margin in August, adding 235K new jobs – the lowest in 7 months and well below forecasts of 750K due to Covid-19 resurgence discouraging employers from hiring. This month, the consensus is much lower at 460K.



# Chart of the Week



## Metals – Spot Price

Metal	Price 1 <sup>st</sup> October USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA
Gold	1,761	0.6%	-2.9%	-7.2%	-1.3%
Silver	22.5	-0.4%	-5.7%	-14.6%	-5.1%
Platinum	977	-0.7%	-3.8%	-8.9%	-2.2%
Palladium	1,922	-2.4%	-22.2%	-21.5%	-17.8%
Copper	9,135	-2.5%	-4.1%	17.9%	-2.6%
Nickel	18,125	-4.2%	-7.1%	9.6%	-6.0%

Note: All performance data to 4<sup>th</sup> October. 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	BMZYCKG1	TAUS	BKQMV54	OIIA	A3GNPX	TGLD	TGLD	58961848	XS2265368097	0.120
GPF Physical Silver ETC	TSLV	BMZYCKH2	TAGS	BKQMV55	OIIB	A3GNP0	TSLV	TSLV	58847211	XS2265369574	0.200
GPF Physical Platinum ETC	TPLT	BMZYCKJ4	TPTS	BKQMW03	OIIC	A3GNPZ	TPLT	TPLT	58847471	XS2265369731	0.200
GPF Physical Palladium ETC	TPAL	BMZYCKK5	TPDS	BKQMVZ1	OIID	A3GNPY	TPAL	TPAL	58847495	XS2265370234	0.200
GPF Physical Copper ETC	TCOP	BMZYLV1	TCUS	BMZYLV0	OIIE	A3GQ0Q	TCOP	TCOP	112161508	XS2314659447	0.850
GPF Physical Nickel ETC	TNIK	BMZYLVQ5	TNIS	BMZYLVN2	OIIF	A3GQ0R	TNIK	TNIK	112161525	XS2314660700	0.750

Trading:

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood



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