

Metal Matters

Your Weekly Update on the Global Metal Markets

Week In Review

The US equity market experienced record highs throughout the week following Big Tech companies, including Apple, Amazon, Alphabet (Google) and Facebook, the largest weightings in the S&P500, seeing significant rallies. The Dow Jones Industrial Average, S&P500 and NASDAQ saw weekly increases by 1.1%, 1.6% and 1.3% respectively.

In Europe, an optimistic week for the equity market with the FTSE MIB, STOXX Europe 600, and Xetra Dax closing higher at 0.31%, 0.53% and 0.28% respectively. The CAC40 remained mostly unchanged while the FTSE100 fell 0.41%.

In the UK, inflation slowed in September to 3.1%, from 3.2% in August, however; the BoE's target remains at 2%. Chief Economist at the BoE, Huw Pill, stated in an FT interview that he would not be surprised to see the UK inflation rate approach 5% in the next few months. Additionally, UK gilt yields jumped following Governor Andrew Bailey stating that the BoE would "have to act" if inflationary expectations were to continue - causing expectations of a rate increase sooner than expected.

Metals in the News

Increasing inflationary pressure bolstered precious metal prices over the week, with gold and silver closing the week 1.4% and 4.3% higher than the previous weekly close, respectively. Claims that Bitcoin could compete against gold as an inflation hedge continued to be supported as BTC climbed to an all-time high over the week, finishing on Friday at \$66,879.95 recovering almost \$36,000 higher than the mid-July crypto crash.

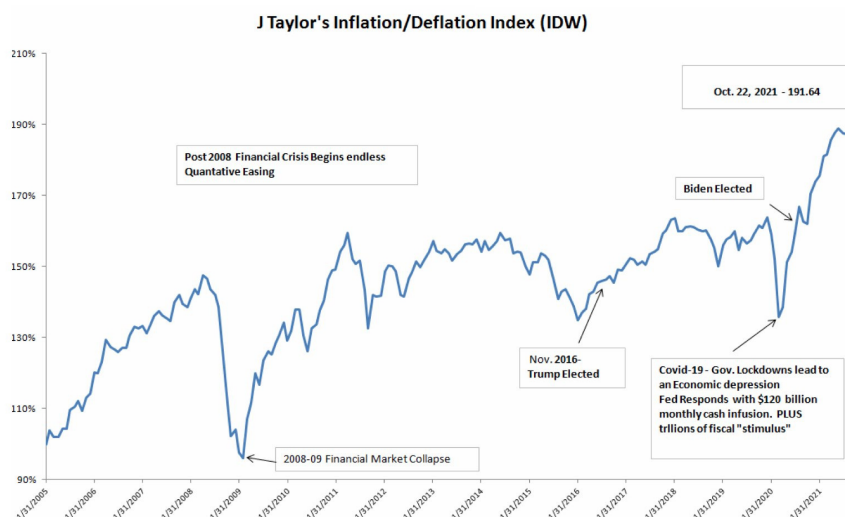
PGMs struggled in the week, following the continued automobile crisis, where an uncontrollable demand for the metals was forced by tighter emission laws globally. Consequently, platinum and palladium experienced weekly declines of 1.4% and 2.7% respectively.

In base metals, copper supply shortages limit global climate ambitions - following LME copper inventory dropping to levels not seen for more than 25 years, and governments in Chile and Peru threatening to implement increased mining taxes and regulations. Additionally, the Biden administration progressed measures to block Antofagasta's, one of the largest copper mining companies, plans to establish a copper mine in Minnesota. These concerns have seen copper prices grow 27.2% ytd. On the other hand, nickel prices surged to a 7-year high amid worries over supply restraints, closing the week 2.5% higher than last, at 20,355/oz.

The Week Ahead

Earlier in the week, Australia will release their Q3 YoY Inflation Rate, Germany will release their GfK Consumer Confidence, Great Britain will release their Autumn budget and the Bank of Canada will release their Interest Rate Decisions. To end the week, Germany will release their Unemployment Rate and Change, while the US and China will be releasing their Manufacturing PMI.

Graph of the Week



Source: J.Taylor, Miningstocks, 2021

Metals - Spot Price

Metal	Price 22 nd October USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA
Gold	1,793	1.4%	-1.2%	-5.6%	0.7%
Silver	24.3	4.3%	1.8%	-7.9%	4.3%
Platinum	1,044	-1.4%	2.8%	-2.6%	4.8%
Palladium	2,022	-2.7%	-18.2%	-17.4%	-6.2%
Copper	9,857	-6.5%	3.5%	27.2%	4.1%
Nickel	20,355	2.5%	4.3%	23.1%	5.7%

Note: All performance data to 22nd 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 International

GPF ETC Listings

Name	ISIN	Base Ccy	TER	Exchange listings and trading currencies									
				Xetra		London Stock Exchange				Borsa Italiana		SIX	
				Ticker EUR	WKN	Ticker USD	Sedol	Ticker GBX	Sedol	Ticker EUR	Ticker CHF	Valor	
GPF Physical Copper ETC	XS2314659447	USD	0.85%	OIIE	A3GQ0Q	TCOP	BMYLVM1	TCUS	BMYLVL0	TCOP	TCOP	112161508	
GPP Physical Nickel ETC	XS2314660700	USD	0.75%	OIIF	A3GQ0R	TNIK	BMYLVS5	TNIS	BMYLVN2	TNIK	TNIK	112161525	
GPF Physical Gold ETC	XS2265368097	USD	0.12%	OIIA	A3GNPX	TGLD	BMYSCK1	TAUS	BKQMV54	TGLD	TGLD	58961848	
GPF Physical Silver ETC	XS2265369574	USD	0.20%	OIIB	A3GNP0	TSLV	BMYSCK2	TAGS	BKQMV55	TSLV	TSLV	58847211	
GPF Physical Palladium ETC	XS2265370234	USD	0.20%	OIID	A3GNPY	TPAL	BMYSCK5	TPDS	BKQMVZ1	TPAL	TPAL	58847495	
GPF Physical Platinum ETC	XS2265369731	USD	0.20%	OIIC	A3GNPZ	TPLT	BMYSCK4	TPTS	BKQMW03	TPLT	TPLT	58847471	

Trading

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood

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