

# Metal Matters

## Your Weekly Update on the Global Metal Markets

### Week In Review

US CPI rose to 7.5% compared to a year prior, marking the highest level of inflation since 1982. US stocks sank lower on the back of inflation and Ukrainian war fears with the Dow Jones down 1.43% and the S&P 500 down 1.9% on the week. The US claims that Russia could begin to invade Ukraine 'any day now', urging American citizens in the Ukraine to evacuate as soon as possible. Goldman Sachs strategists lowered their target for US stock returns this year as the prospect of aggressive monetary tightening affects valuations, cutting their year-end prediction for the S&P down by 200 points to 4,900.

North America's busiest trade link, the Ambassador bridge between the US and Canada, was finally reopened after Canadian police cleared protestors fighting to end COVID-19 restrictions, with protests throughout Canada reaching their 17th day.

### Metals in the News

Gold prices hit \$1,859/oz, rising 2.8% for the week. Geopolitical tensions have helped spur demand, as well as persistently high inflation that seems to be less and less transitory – even with the threat of tighter monetary policy.

Standard Chartered stated that despite the limited number of vehicles being scrapped, the supply of auto catalysts to PGM refineries for recycling remains sufficient and many are still running at near-full capacity. As semiconductor shortages hit the automotive market, second-hand cars have outpaced the demand for new vehicles – therefore decreasing the vehicles being scrapped. As the shortage eases, the market is likely to see an increase in platinum scrap supply.

South Africa's mining output has decreased by 1.1% year-on-year in December. The largest negative contributors were gold, (contributing -2.4 percentage points), coal (-1.9 p.p), manganese ore (-1.1 p.p), and iron ore (-1%). This followed a decrease of 10.6% recorded for 2020 and a decrease of 1% in 2019.

### The Week Ahead

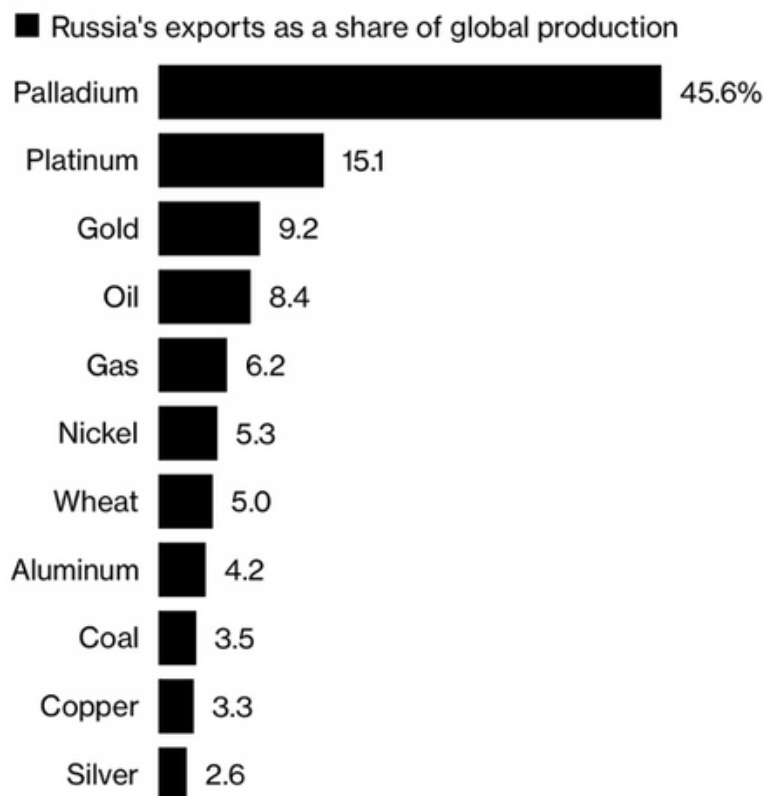
The week's economic data starts off with US Consumer inflation expectations on Monday, with expectations hitting a record 6% in December.

The increase in CPI rate the week before has consensus estimates pegged at 6.3% as uncertainty and disagreement about future monetary policy and geopolitical tensions wreaks havoc on US consumers. The UK unemployment rate for December will be released on Tuesday, with the November rate down to 4.1%, the lowest since the three months to June 2020 and below market expectations of 4.2%. The UK will release their annual inflation rate on Wednesday, after rising 0.3% to 5.4% from November to December and rising above expectations of 5.2%. Forecasts see inflation remaining steady at 5.4%, but the steep increase in US CPI does not bode well for these expectations.

## Graph of the Week

### Heavyweight

Russia is a major supplier of key raw materials



Source: JPMorgan

**Bloomberg**

## Metals - Spot Price

Metal	Price 14 Feb USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA
Gold	1,859	2.1%	2.5%	-2.1%	2.8%
Silver	23.6	2.5%	-1.3%	-10.7%	3.1%
Platinum	1,031	0.6%	1.5%	-3.9%	4.6%
Palladium	2,309	1.8%	-6.6%	-5.7%	15.3%
Copper	9,894	0.9%	3.8%	27.7%	1.8%
Nickel	23,705	0.2%	21.5%	43.3%	9.7%

Note: All performance data to Monday 14th February. 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	BMYLQ5	TNIS	BMYLVN2	TNIK	TNIK	112161525
GPF Physical Gold ETC	XS2265368097	USD	0.12%	OIIA	A3GNPX	TGLD	BMYCKG1	TAUS	BKQMV54	TGLD	TGLD	58961848
GPF Physical Silver ETC	XS2265369574	USD	0.20%	OIIB	A3GNP0	TSLV	BMYCKH2	TAGS	BKQMV75	TSLV	TSLV	58847211
GPF Physical Palladium ETC	XS2265370234	USD	0.20%	OIID	A3GNPY	TPAL	BMYCKK5	TPDS	BKQMVZ1	TPAL	TPAL	58847495
GPF Physical Platinum ETC	XS2265369731	USD	0.20%	OIIC	A3GNPZ	TPLT	BMYCKK4	TPT5	BKQMW03	TPLT	TPLT	58847471

## Trading

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood

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