

Metal Matters

Your Weekly Update on the Global Metal Markets

Week In Review

Losses in major global stocks defined another poor week as investors' worries surrounding hikes in interest rates and their effect on a possible recession increased. The week marked a 6-week consecutive decline for the S&P 500 Index, closing at \$4,023 and the Nasdaq Composite at \$11,805. The FTSE All-World index dropped 2.2%, its longest weekly losing streak since 2008. In Europe however, shares rebounded slightly as the week went on. Xetra climbed 2.59%, CAC 40 1.67% and the FTSE 100 0.41%

Furthermore, over a trillion USD of value was wiped off the global crypto market in a major selloff sparked by the weakening of key assets, in particular the stablecoin Terra and its algorithmic counterpart, Luna – not only did Terra lose its peg to the USD, but has Luna lost well over 99% of its value to date.

However, despite the turbulent times the world economies are facing, US inflation rate has slowed down, as the Consumer price index reveals costs rose by a monthly rate of 0.3% in April, down from 1.2% in March. This is the first fall since August 2021, indicating that perhaps inflation has now peaked.

Metals in the News

Marking its fourth straight weekly decline, Gold fell more than 1% on Friday, its lowest since Feb 4th at \$1,798.86 per ounce, before eventually closing at \$1,811.15. A stronger USD and rate upsurges played a role here.

Spot Silver was down 0.1% to \$21.06 per ounce.

Copper had a weekly change of -2.4%, closing at \$9,185. COVID Lockdowns in Shanghai are still affecting prices despite the declining case counts. China is the largest producer and importer of copper in the world, and factory activity continues to contract.

Nickel, likewise, took a hit. As of Friday, close of business there was a weekly change of -9.4%, closing at \$27,173. Again, this was largely spurred by lack of demand and uncertainty a worldwide recession

The Week Ahead

Notable events to look out for this week include the UK Employment Data for March, US Retail Sales for April, US Initial Jobless Claims and Eurozone Employment of Q1 GDP

Chart of the week – US Inflation Rate



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