



Week in review – Talk of the Town

Markets continued their gyrations where they left off from the previous week. The talk of the town continues to be centred around rising US yields and inflationary pressures driven by commodities and record stimulus measures. The US 10yr briefly touched 1.75% last week before paring back to close at 1.72%. The FED decided not to extend the relaxation of the SLR rules implemented shortly after the pandemic hit in early 2020 to encourage banks to extend credit to markets. Despite heavy bank petitioning and scaremongering, the event turned out to be more bark than bite as a handful of market pundits expected.

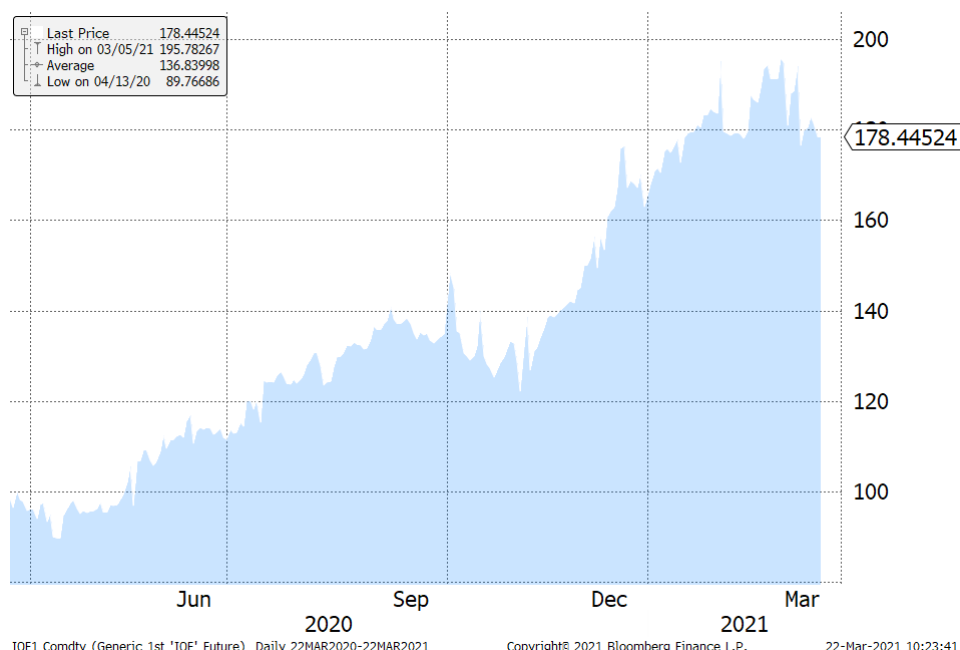
Commodities had been on a winning streak all year on expectations of greater infrastructure spend, accelerating green energy project rollouts and latterly inflation hedges. However, Oil took a hammering last week on the back of resurging Covid infection rates across Europe and the consequent increased lockdowns, and higher inventory builds. WTI had rallied 35% ytd. up to early March and gave back 6% last week to close at \$61/barrel.

Metals in the news

Precious metals performed well during the week, with Palladium rallying strongly over 11% to close up over \$2,600/oz on the back of supply concerns. Palladium jumped during the week on concerns that Norilsk Nickel, the largest producer of palladium, had suspended some operations after two of its biggest mines were flooded earlier in the month.

Iron Ore, one of the best performing metals last year has struggled recently despite optimism over infrastructure stimulus plans. After the futures peaked at ~\$195/tonne earlier in the month, prices have pared back to under \$180 as the Chinese government crackdwns on the polluting steel mills. Steel mills are a major source of pollution in China and account for ~15% of the country's total emissions according to the Financial Times.

Chart of the week – Iron Ore Futures





Week ahead

The week ahead is expected to be quite busy with Powell and Yellen due to testify in front of the House Financial Services Committee and the Senate Banking Committee. The BIS also kicks off a four day conference on innovation in the digital age and who knows, they might even come up with the idea of using blockchain technology with ETCs!

The week will also be busy with data releases with the FED's preferred inflation measure, the PCE deflator expected to weaken due to the impact of severe winter storm activity during February. Over in Europe, March PMI data should be insightful into how the European economies are faring, whilst the UK will also be releasing a number of key data points during the week including, latest job report, inflation and PMI data. Investors will be watching the releases carefully to gauge economic acceleration of activity and likely inflationary pressures

Metals - Spot Price

Metal	Price 12 Mar USD	Weekly Change %	Mtd. Change %	Ytd. Change %	Price vs 50d MA	Price vs 200d MA	Change in Futures positioning
Gold	1,745	1.0%	0.6%	-8.1%	-2.8%	-6.2%	2.9%
Silver	26.2	1.3%	-1.6%	-0.6%	-0.6%	6.8%	-7.0%
Platinum	1,198	-0.7%	0.4%	11.7%	2.6%	21.8%	12.1%
Palladium	2,640	11.1%	13.5%	7.8%	11.3%	16.2%	12.1%
Copper	9,073	-0.3%	-0.7%	17.1%	6.9%	25.3%	-9.7%
Nickel	16,121	-0.2%	-13.4%	-2.5%	-9.3%	2.7%	7.3%

Notes. All performance data to 19 March, futures 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 and Xetra

Name	LSE Ticker	Xetra Ticker	ISIN	TER
GPF Physical Gold ETC	TGLD	OIIA	XS2265368097	0.145%
GPF Physical Silver ETC	TSLV	OIIB	XS2265369574	0.200%
GPF Physical Platinum ETC	TPLT	OIIC	XS2265369731	0.200%
GPF Physical Palladium ETC	TPAL	OIID	XS2265370234	0.200%

Trading

AP: Flow Traders

MM: GHCO, Peel Hunt, Winterflood

BrightTALK webinars

On 24 March, Tim Harvey and Hamad Ebrahim discuss the case for "Silver - Nature's Ancient Wonder Material". Please [click here](#) to register.

On 10 March, Tim Harvey and Hamad Ebrahim discussed the case for Gold. Please [click here](#) to view.



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