

# Commodity Insights

## GMA'S HIGHLIGHT

- The White House has tapped a former mining executive to head an office at the National Security Council focused on strengthening supply chains, three sources said, as a pared-down NSC zeroes in on a few of President Donald Trump's most oft-stated priorities.
- The U.S. Department of Energy (DOE) has revealed its next steps forward in revitalising America's nuclear energy sector with the launch of a new pilot program aimed at building advanced somatic nuclear fuel production lines
- The American consortium Orion Resource Partners and Virtus Minerals is negotiating the acquisition of copper and cobalt producer Chemaf Resources Ltd. in Congo. The deal may become the subject of competition for mining in the Congo between the United States and China.
- Donald Trump is preparing to open the \$9tn US retirement market to cryptocurrency investments, gold and private equity in a move that would spur a radical shift in the way Americans' savings are managed.
- India is holding talks with Chile and Peru to source critical minerals under ongoing free trade pact negotiations

## Marcoeconime

Key economic data of China:

	June, 2025	May, 2025	April, 2025	Year-on-Year (Last Year)
Exports YoY	5.80%	4.80%	8.10%	8.40%
Imports YoY	1.00%	-3.40%	-0.30%	-2.60%
Retail Sales	3.80%	5.40%	4.10%	2.00%
Fixed Asset Investment	4.60%	5.60%	5.80%	5.40%
Real Estate Investment	-11.20%	-10.70%	-10.30%	-10.10%
	Q2	Q1		
GDP	5.20%	5.40%		

## Key economic data of U.S.:

	June, 2025	May, 2025	April, 2025	Year-on-Year (Last Year)
CPI Year-on-Year (YoY)	2.70%	2.40%	2.30%	3.00%
Core CPI Year-on-Year (YoY)	2.90%	2.80%	2.80%	3.30%
Retail Sales	0.60%	-0.90%	-0.10%	0%
Michigan Consumer Index	3.00%	3.20%	3.60%	3.00%
1Y Inflation Expectations	3.00%	3.20%	3.60%	3.00%

Recent macroeconomic highlights in China focus on the trade negotiations between China and the United States. In the first half of the year, China's economy showed a trend of initially rising and then declining under stimulus policies. In the second half, the strength of these policies may marginally weaken, and economic growth is expected to continue to slow slightly.

In the U.S., the overall economic situation remains relatively stable, with potential room for 1-2 rate cuts in the second half of the year.

## Gold

### Price Movement:

Week of July 14: -0.45%

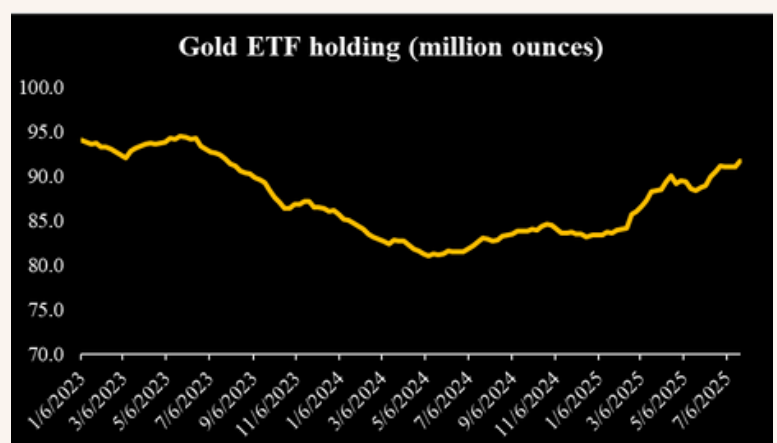
Week of July 21: +1.19%

**Key Driver:** Gold prices fluctuated due to interpretations of tariffs and renewed concerns about the independence of the Federal Reserve.

**Major Banks Projection:** There are predictions that gold prices will reach new highs this year, with an average price of \$3,600 per ounce in the second half. This optimistic outlook is

attributed to a "feast of global uncertainty," which enhances the appeal of alternative reserve assets, suggesting a favourable macroeconomic environment for gold.

**GMA's view:** Central bank gold purchases, de-dollarization, and ETF inflows will continue to support gold prices, indicating potential for further gains in the medium to long term.



(Physical gold purchase by ETFs, Source: Bloomberg)

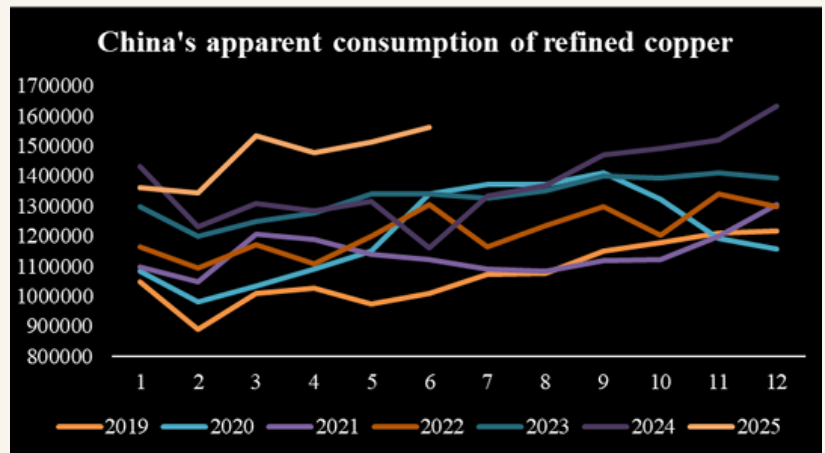
## Copper

### Price Movement:

Week of July 14: +1.39%

Week of July 21: +0.02%

**Key Driver:** Copper prices rebounded with a global macroeconomic recovery. However, domestic downstream demand is in a seasonal lull, slowing inventory depletion. By the latter half of the week, increasing divergence between bullish and bearish sentiments led to strong profit-taking among copper bulls, resulting in a noticeable decline in prices.



(China's apparent consumption of refined copper, Source: Bloomberg)

**GMA's view:** With the implementation of tariffs, it is anticipated that the global inventory shift will conclude, putting downward pressure on LME copper prices. However, supported by low inventory levels and the upcoming peak season, it is believed that there will be a stabilizing support for copper prices.

## Lithium

### Price Movement:

Week of July 14: +8.84%

Week of July 21: +15.09%

**Key Driver:** Lithium prices continued to rebound, driven primarily by reduced competition and inspections of mineral resources in Jiangxi and Qinghai.

**Major Banks Projection:** Analysts are expressing cautious optimism about the lithium market amid recent regulatory actions impacting mining operations. Concerns over tightened regulations, particularly regarding mining permits, may temporarily support lithium prices, though supply surplus issues remain unresolved without actual production cuts.

**GMA's view:** Short-term overall production cuts and reduced competition have fostered optimistic market sentiment, leading to an accelerated rise in lithium prices. However, the entire supply chain is still maintaining high inventory levels, with last week's inventory accumulation slowing down. Upstream smelting plants are depleting stocks at high levels, while downstream trade segments continue to accumulate inventory, indicating that the fundamental dynamics have not yet shifted. Currently, low-cost producers are expanding production, and downward risks remain. In the medium term, lithium prices are likely to fluctuate within a range.



## Uranium

**Price Movement:**

Week of July 14: -0.70%

Week of July 21: -0.10%

**Key Driver:** The recent slowdown in daily purchasing volume of the Sprott Physical Uranium Trust has contributed to the decline in uranium prices.

**GMA's view:** Since 2018, there has been a persistent supply gap in the uranium market. In the medium to long term, higher uranium prices will be necessary to stimulate a new cycle of production capacity.

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