

# Commodity Insights

## GMA'S HIGHLIGHT

- The US and Japan have unveiled a new critical minerals action plan aimed at strengthening supply chain resilience, with a key focus on advancing cooperation in deep-sea mining.
- Canada's Cameco has entered a long-term agreement to supply uranium ore concentrate to India's Department of Atomic Energy, for use in the country's fleet of nuclear reactors.
- US miner Freeport-McMoRan (NYSE: FCX) has begun the environmental permitting process for a \$7.5 billion expansion of its majority owned El Abra copper mine in Chile.
- Australia's Atlantic Lithium (ASX: A11) has secured Ghanaian parliamentary approval to develop the Ewoyaa project, the country's first lithium mine, under revised royalty terms tied to market prices.
- China has invested more than \$120 billion in overseas mining and upstream processing since 2023, accelerating a state-backed push to secure the raw materials underpinning the global energy transition.

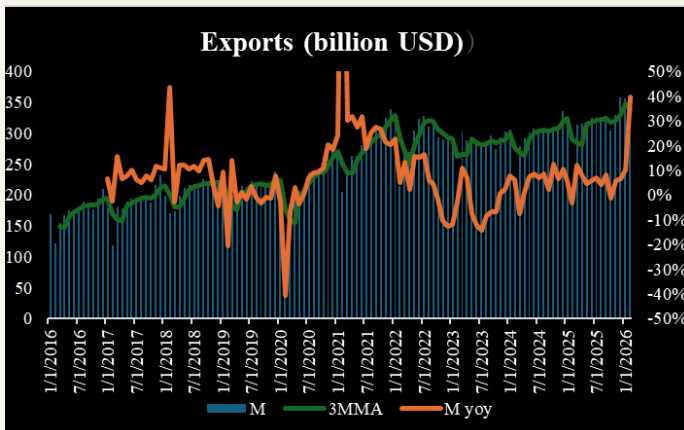
## Marcoeconimc

Key economic data of China:

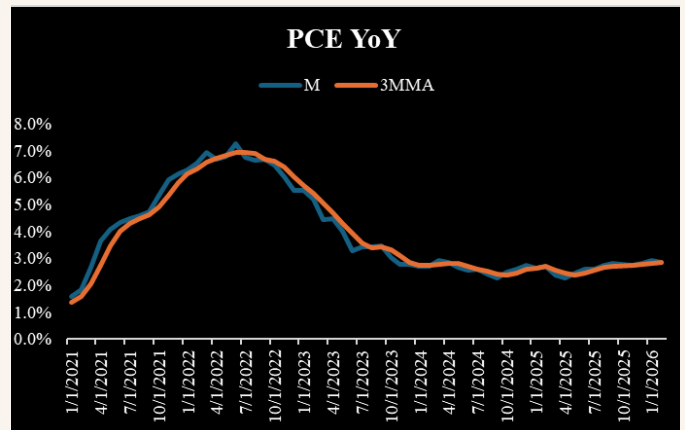
January–February activity exceeded expectations, but the pattern of strong production amid weak demand persists. Fiscal spending accelerated—both revenues and expenditures rose, and the broadened fiscal deficit appears larger, indicating a looser fiscal stance. Overall activity is roughly unchanged year-on-year; monitor risks from rising energy prices.

Key economic data of U.S.:

Latest US inflation data show signs of a rebound. FOMC tone remains cautious and uncertain; disinflation has been slower than expected, and the US–Iran conflict has lifted oil prices, increasing inflationary uncertainty. CME pricing now implies no rate cuts this year and a roughly 10–20% chance of a 25bp hike at upcoming meetings.



(China's Export, Source: Bloomberg)



(US PCE, Source: Bloomberg)

## Gold

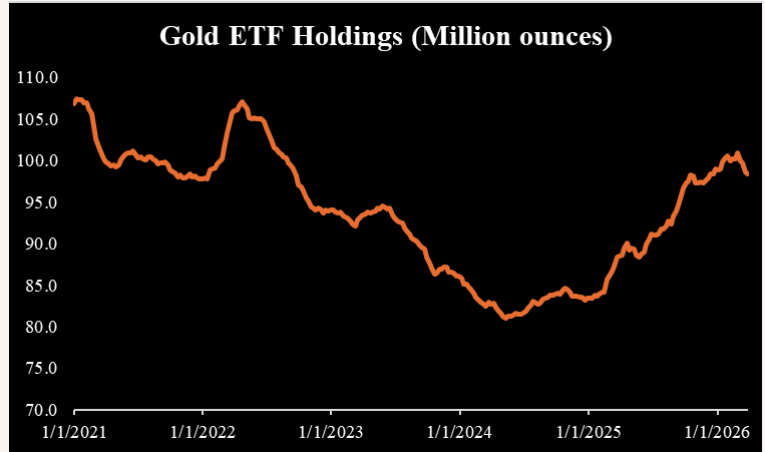
### Price Movement:

2 weeks changes: -14%

**Key Driver:** The U.S.–Iran conflict has lasted longer than expected. Iran’s blockade of the Strait of Hormuz pushed oil prices higher, and combined with a hawkish FOMC stance, market rate-cut expectations cooled—putting short-term downward pressure on gold.

**Major Bank’s Projections:** Recent weakness in gold following the conflict is unsurprising and historically can be followed by rapid rebounds. However, persistent inflation that forces further rate hikes would complicate the outlook. Analysts remain constructive for the second half, with a bullish target around \$5,700/oz supported by central bank buying, eventual Fed cuts driving ETF inflows, and renewed investor interest in physical assets.

**GMA’s view:** Gold is in a short-term corrective phase, but the medium- to long-term bullish fundamental case remains unchanged.



(Gold Purchase by ETF, Source: Bloomberg)

## Copper

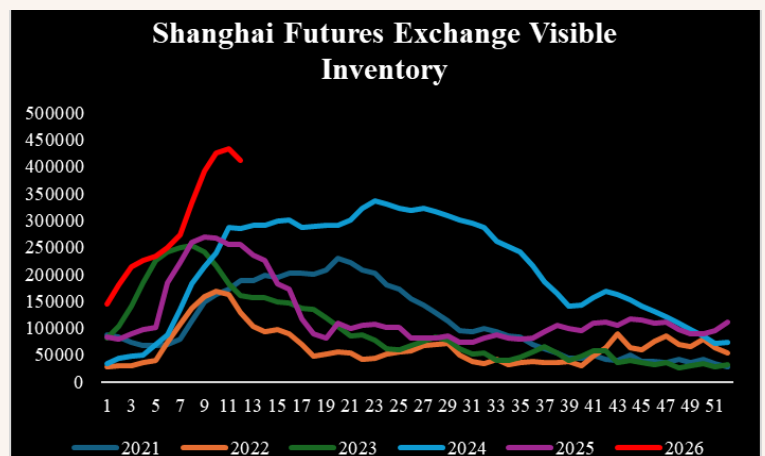
### Price Movement:

2 weeks changes: -8%

**Key Driver:** Declines driven by the U.S.–Iran conflict, tighter monetary policy expectations, and weaker macro conditions.

**Major Bank’s Projections:** Supply risks exist from disruptions in the sulfur supply chain that could curtail roughly 1.8 million tonnes of cathode copper (about 7% of global supply), but near-

term price moves are more likely to be driven by macro growth repricing rather than supply shocks.



(Copper Exchange Visible Inventory, Source: Bloomberg)

**GMA’s view:** Domestic inventories have begun to draw down, which should support a rebound, yet ongoing geopolitical tensions and stagflation risks keep the copper complex under pressure. Expect choppy trading; monitor domestic demand for medium-term direction.

## Lithium

### Price Movement:

2 weeks changes: -7%

**Key Driver:** Lithium prices declined amid the U.S.–Iran conflict, tighter monetary policy expectations, and weaker macro conditions.

**GMA’s view:** Short-term downstream production exceeds expectations, providing some support for prices. However, ongoing geopolitical tensions and rising stagflation risks keep the metals sector under pressure—expect choppy trading for lithium in the near term.

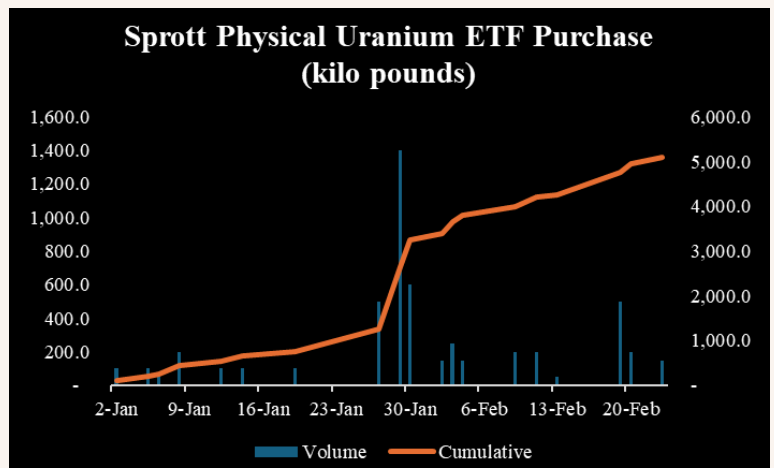
## Uranium

### Price Movement:

2 weeks changes: -2%

**Key Driver:** Uranium prices fluctuated amid broader macro market volatility.

**GMA’s view:** Sprott’s physical uranium ETF has not been buying spot uranium since the U.S.–Iran conflict began, which may weigh on spot prices in the short term. Long-term supply–demand fundamentals continue to support an upward trend in uranium prices.



(Sprott Physical Uranium Purchase in 2026, Source: Sprott)

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