



The European Commission presents Green Deal Industrial Plan for the Net-Zero Age

The European Commission [presented](#) its Green Deal Industrial Plan as part of the policy framework to achieve climate neutrality by 2050. It responds to similar initiatives from the US (Inflation Reduction Act), Japan and China, and is built on four pillars: 1) a predictable, coherent and simplified regulatory environment; 2) faster access to funding; 3) skills in the technologies required by the green transition; and 4) open trade for resilient supply chains. The plan will include the [Critical Raw Materials Act](#) to ensure access to key materials.

Ongoing unrest in Peru has led MMG to put its [Las Bambas](#) copper mine into care and maintenance. It together with others provided 4Q production updates and 2023 guidance. Teck, for example, [highlighted](#) inflationary cost pressures affecting key supplies in 2022 and it sees upward pressure on unit costs persisting in 2023. In its guidance, Anglo American [indicated](#) that production in Chile (530,000-580,000 tonnes) will be subject to water availability, and in Peru (310,000-350,000 tonnes) to any socio-political effects.

The week saw a number of developments in the hydrogen space. Plug Power and Johnson Matthey (JM) [announced](#) that JM would become an important strategic supplier of membrane electrode assembly (MEA) components, providing a substantial portion of Plug’s demand for catalysts, membranes, and catalyst coated membranes (CCM). They will co-invest in what is expected to be the largest (5GW scaling to 10GW over time) CCM manufacturing facility in the world.

Honda gave a [briefing](#) on its hydrogen business indicating that its next generation fuel cell system would target significant improvements in durability and reduction in costs so that by 2030 the fuel cell system would be on a par with conventional diesel engines. In addition to fuel cell electric vehicles (FCEVs), the fuel cell system will be deployable in commercial vehicles, stationary power stations and construction machinery.

EV metals vs EV equities (12 months to 3 February 2023)



Note: SOLEEEV = Solactive Elementum Electric Vehicle Index (USD)

Source: Bloomberg

STXELVW = STOXX Global Electric Vehicles & Driving Technology Index (USD, NTR)

Metal prices

| Metal | Price USD (3 February) | Weekly change % | Year-to-date change % | Price vs 200 day moving average | Price vs 52 week high |
|-----------|------------------------|-----------------|-----------------------|---------------------------------|-----------------------|
| Gold | 1875.35 | -2.5% | 3.4% | 105.6% | 92.0% |
| Silver | 23.49 | -1.0% | -1.9% | 111.8% | 89.7% |
| Palladium | 1625 | -1.0% | -8.5% | 82.7% | 53.9% |
| Platinum | 1005 | -0.5% | -2.5% | 105.8% | 87.3% |
| Cobalt | 35814.1 | -7.8% | -17.1% | 61.4% | 40.9% |
| Copper | 9060 | -3.1% | 8.0% | 108.9% | 84.4% |
| Nickel | 29110 | 0.2% | -4.3% | 116.2% | 63.6% |

Bloomberg codes: GOLDLNPM, SLVRLND, PLDMLNPM, PLTMLNPM, BYW1, LOCADY, LONIDY Notes. All performance data to 3 February 2023. 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.

The week ahead

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|-------------|--|
| 6 February | Eurozone: Retail sales; Germany: Dec Factory orders |
| 7 February | Taiwan: Jan Trade balance; US: Dec International trade, Jay Powell interview |
| 8 February | India: RBI rate decision |
| 9 February | Germany: Jan CPI; Sweden: Riksbank rate decision |
| 10 February | China: Jan CPI; UK: 4Q GDP; Dec GDP estimate; US: UofMichigan Sentiment |

Further reading

- Bloomberg [Copper’s Fight for Critical Mineral Status Gets Political Push](#)
- Bloomberg [More EVs Will Qualify for Tax Credits After US Reverses Course](#)
- pv magazine [Solar may cover the world’s electricity demand with 0.3% of its land area](#)
- Reuters [Wolfspeed to build \\$3-bln EV chip plant in Germany, subsidy approval expected in months](#)
- RMI [Peak Fossil Fuel Demand for Electricity](#)

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 2 February 2023

Source: Bloomberg

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