



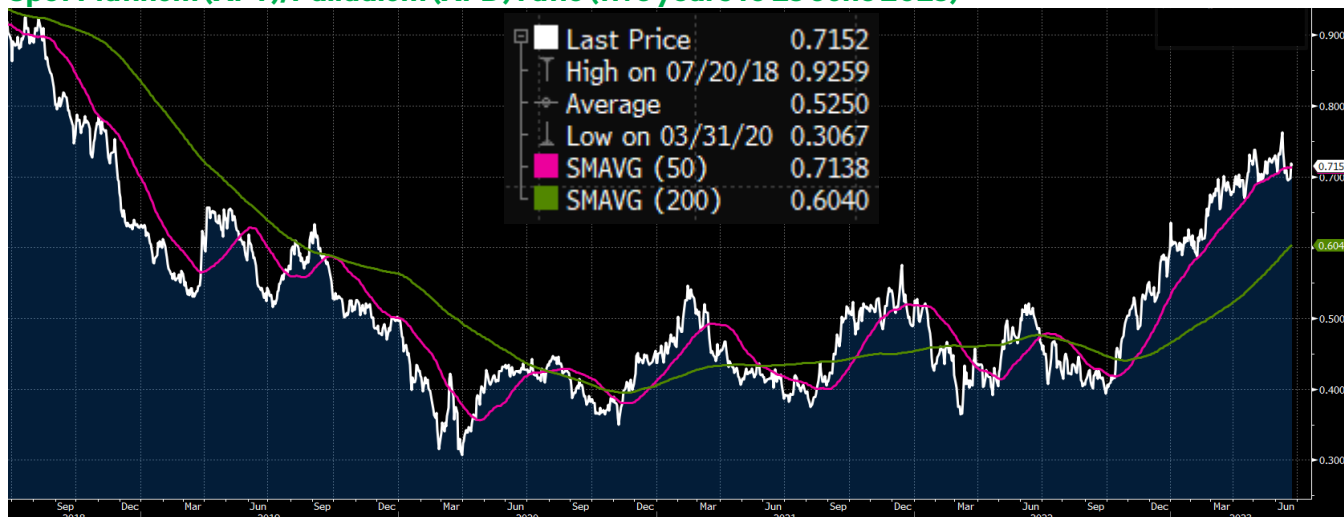
Rio looks to expand Kennecott copper mine

Rio Tinto [announced](#) a major investment in its Kennecott copper mine near Salt Lake City, Utah. It has approved \$498 million of funding to develop an underground mine and infrastructure in an area known as the North Rim Skarn. Production will commence in 2024 and is expected to deliver around 250,000 tonnes of additional mined copper over the next 10 years. A \$300 million rebuild started last month at the Kennecott smelter. Copper production at Kennecott was an [estimated](#) 179,200 tonnes in 2022. Separately, Reuters [reported](#) that Antofagasta had applied for an environmental permit to extend operations, backed with a projected investment of \$1.2 billion, at its Zaldívar copper mine, a 50/50 JV with Barrick Gold, through 2051. The mine [produced](#) 44,500 tonnes of copper in 2022.

Indonesia's move to capture more of the natural resources value chain was highlighted when the Indonesian president, Joko Widodo, [announced](#) that Indonesia would no longer export copper concentrates once the smelters being built by Freeport Indonesia and Amman Mineral International go into production, which is expected in May next year. Both companies recently received approval to continue exports of concentrates until their smelters are finished.

Australia released its [Critical Minerals Strategy 2023-2030](#). Its objectives include the development of sovereign capability in critical minerals processing, and becoming a renewable energy superpower. While welcoming the strategy, Warren Pearce, CEO of the Association of Mining and Exploration Companies, [said](#) delivering on net zero ambitions needed, "more efficient and effective regulatory approvals processes to enable mineral exploration and mining projects to be developed in a time efficient and cost-effective manner." Madeleine King, the Resources Minister, [indicated](#) in an interview post the release of the strategy that Chinese involvement in the resources sector would be reviewed "strategically" going forward. This applies particularly to the processing of lithium. In Bolivia, Chinese battery manufacturer, CATL, reportedly [confirmed](#) a \$1.4 bn investment in the lithium sector and the energy ministry indicated that work to build two lithium extraction plants could start in July.

Spot Platinum (XPT)/Palladium (XPD) ratio (five years to 23 June 2023)



Source: Bloomberg

Metal prices

Metal	Price USD (23 June)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1930.7	-1.5%	6.4%	104.7%	94.3%
Silver	22.34	-6.9%	-6.7%	100.4%	85.8%
Palladium	1279	-8.5%	-27.9%	74.9%	55.2%
Platinum	924	-6.4%	-10.4%	93.6%	81.9%
Cobalt	29161.1	1.7%	-32.5%	70.8%	37.9%
Copper	8490	-0.8%	1.2%	101.0%	90.0%
Nickel	20895	-9.7%	-31.3%	85.1%	67.0%

Bloomberg codes: GOLDLNPM, SLVRLND, PLDMLNPM, PLTMLNPM, BYW1, LOCADY, LONIDY
Notes. All performance data to 23 June 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

26 June	DE: Ifo Business Climate; US: Dallas Fed Manufacturing Index
27 June	CA: Inflation Rate; US: Durable Goods Orders, S&P/Case-Shiller Home Price
28 June	DE: GfK Consumer Confidence; IT: Inflation Rate; US: MBA 30-Year Mortgage Rate
29 June	JP: Consumer Confidence; DE: Inflation Rate; EU: Economic Sentiment; US: GDP Growth Rate
30 June	JP: Industrial Production; CN: NBS Manufacturing PMI; EU, US: Inflation Rate; UK: Growth Rate; US: Chicago PMI, Michigan Consumer Sentiment

Further reading

- Bloomberg [Ford Gets \\$9.2 Billion to Help US Catch Up With China’s EV Dominance](#)
- Bloomberg [The Struggle to Electrify One of the World’s Dirtiest Industries](#)
- Bloomberg [IEA-IFC Joint Report Calls for Ramping Up Clean Energy Investments in Emerging and Developing Economies](#)
- Reuters [Lithium producers warn global supplies may not meet electric vehicle demand](#)
- Reuters [China lithium price rebound to be capped by growing supply, analysts say](#)

Metal Research Major Exchanges Total Copper Inventories (MT)



Data: as at 22 June 2023

Source: Bloomberg

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