



## Pan American Silver offloads copper interests in Argentina and Chile

Pan American Silver Corp. announced divestments of certain non-core assets following the completion of the Yamana Gold acquisition. These include Rio Tinto [agreeing](#) to purchase its 57.74% operating stake in Agua de la Falda for \$45 million and to enter a joint venture with Codelco, which owns the remaining 42.26%, to explore and potentially develop Agua de la Falda's assets in the Atacama region of Chile. Agua de la Falda has previously been explored for precious metals with minimal modern exploration for copper. Jakob Stausholm, Rio Tinto's CEO said, "We are pleased we can bring our global exploration capability to a joint venture that will be able to access Codelco's strong local presence and industry expertise. Although this is an early-stage exploration project, we are very excited to be actively exploring in Chile in partnership with Codelco."

Separately, Glencore has [agreed](#) to acquire Pan American's 56.25% stake in the MARA Project in Argentina, with completion expected in 3Q 2023 thereby making it the sole owner and operator of MARA, which is one of the world's lowest capital-intensive copper projects. Glencore will pay \$475 million in cash upon closing and grant Pan American a copper net smelter return royalty of 0.75%. MARA, located in the Catamarca province of Argentina, has proven and probable mineral reserves of 5.4 million tonnes of copper and 7.4 million ounces of gold. It has a 27-year mine life based on mineral reserves supported by more than 86 kms of drilling. MARA is expected to be in the top 25 global copper producers when operational, with an expected average copper production over the first 10 full years exceeding 200ktpa.

Bloomberg [reported](#) that Trafigura Group has been forced to seeking new funding for its \$600 million copper-cobalt project, a mine at Mutushi and two processing plants, in DRC. The project, which is being developed by [Chemaf SA](#), has run into difficulties because of cost overruns and weak cobalt prices. Trafigura is reportedly seeking additional funding of \$200-300 million.

## LME Cash Official Price Nickel (USD, 12 months to 4 August 2023)



Source: Bloomberg

**Metal prices**

Metal	Price USD (4 August)	Weekly change %	Year-to-date change %	Price vs 200 day moving average	Price vs 52 week high
Gold	1942.45	-0.6%	7.1%	103.1%	94.8%
Silver	23.45	-3.2%	-2.1%	102.2%	90.1%
Palladium	1258	1.4%	-29.1%	79.9%	54.3%
Platinum	919	-1.5%	-10.9%	92.5%	81.5%
Cobalt	35767.6	1.8%	-17.2%	94.5%	63.1%
Copper	8450.5	-1.6%	0.8%	99.2%	89.6%
Nickel	20980	-3.1%	-31.0%	86.4%	67.2%

Bloomberg codes: GOLDLNPM, SLVRLND, PLDMLNPM, PLTMLNPM, BYW1, LOCADY, LONIDY

Notes. All performance data to 4 August 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.

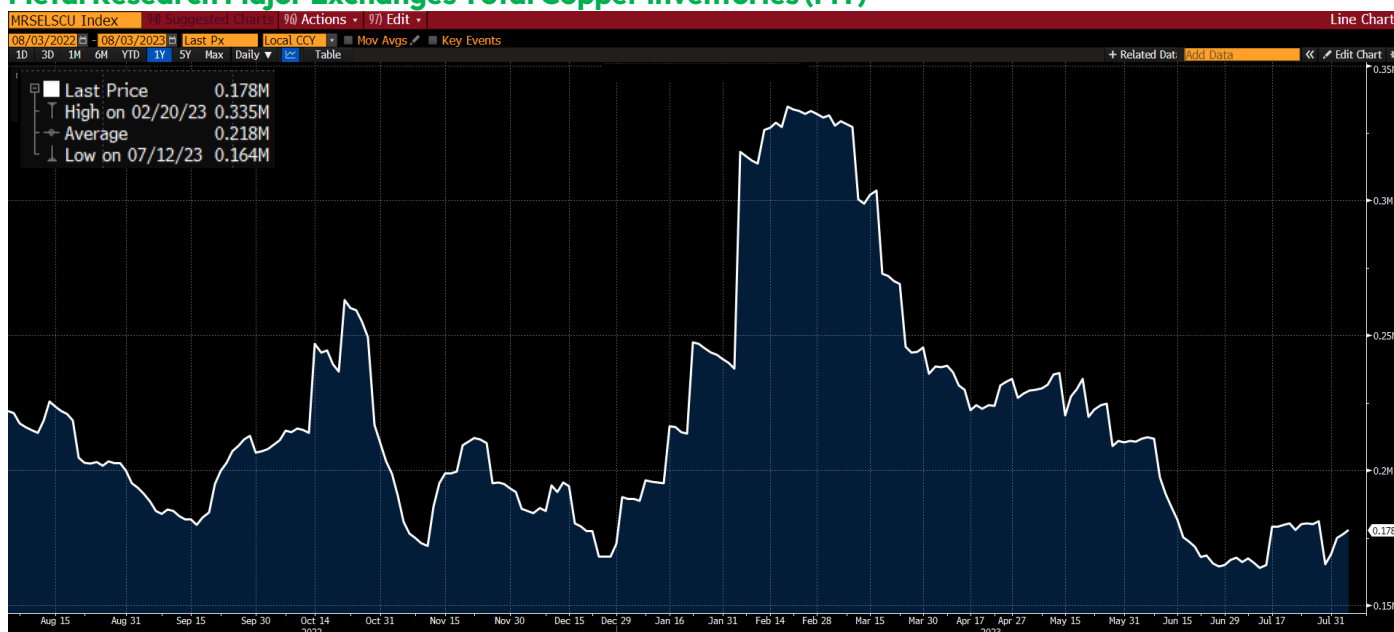
**The week ahead**

7 Aug	DE: Industrial Production; UK: Halifax House Price Index
8 Aug	JP: Current Account; CA, CN, FR, US: Balance of Trade; DE: Inflation Rate; US: IBD/TIPP Economic Optimism
9 Aug	CN: Inflation Rate; US: MBA 30-Year Mortgage Rate, 10-Year Note Auction
10 Aug	IN: RBI Interest Rate Decision; IT, US: Inflation Rate; US: Monthly Budget Statement
11 Aug	UK: GDP Growth Rate, Industrial Production; US: PPI, Michigan Consumer Confidence Prel

**Further reading**

- Bloomberg [Battery Bloat Could Backfire on Electric Vehicle Manufacturers](#)
- Bloomberg [Europe Is Set for a Record Solar Summer and Is Wasting It](#)
- IRENA [G20 Countries Can Close the Loop for a Circular Steel Sector](#)
- Mining [Chinese overseas investment in metals and mining to reach record levels this year](#)
- Technology [Chinese overseas investment in metals and mining to reach record levels this year](#)
- Reuters [World battles to loosen China's grip on vital rare earths for clean energy transition](#)
- Reuters [Foxconn EV venture targets India, Thailand for new small car](#)

**Metal Research Major Exchanges Total Copper Inventories (MT)**



Data: as at 3 August 2023

Source: Bloomberg

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