

A photograph of an industrial facility, likely a steel mill, at night. The scene is illuminated by warm, yellow lights from the facility, contrasting with the dark blue twilight sky. Large pipes, scaffolding, and a tall structure with a platform are visible. The overall atmosphere is industrial and active.

# COMMODITIES OUTLOOK

OCTOBER 2021

**Gianclaudio Torlizzi – Managing Director T-Commodity**



# BASE METALS HIT THE HIGHEST LEVEL SINCE 2011



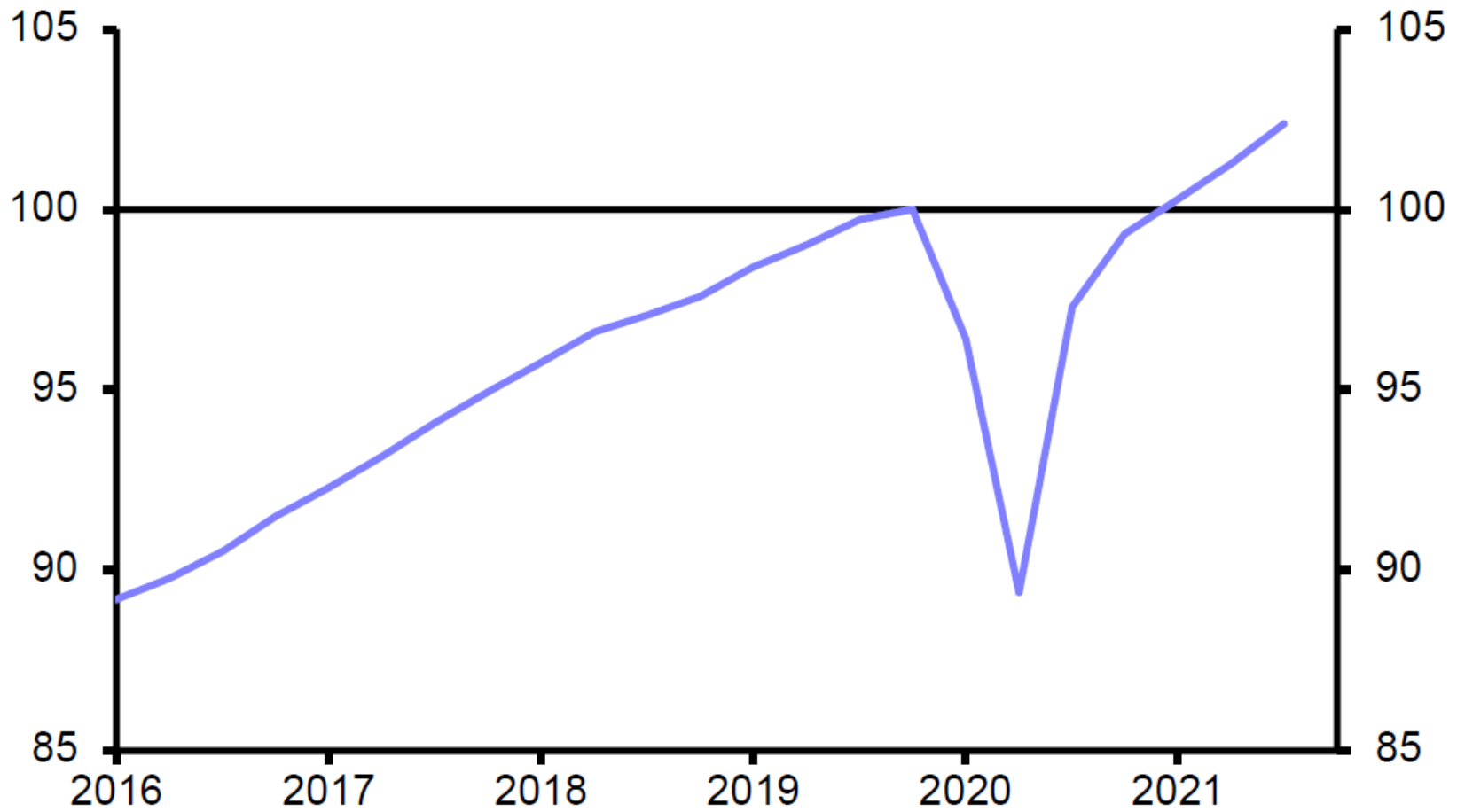


## **DRIVERS:**

- 1. CONSUMPTION BOOM DRIVEN BY CHINA SUPPLY SIDE POLICY AND US MONETARY POLICY**
- 2. FREIGHT MARKET TIGHTENING**
- 3. TIGHTNESS SUPPLY (CAPITAL DISCIPLINE)**
- 4. DECARBONIZATION (CO2 EMISSION CUT POLICIES PURSUED BY CHINA, EU AND US)**

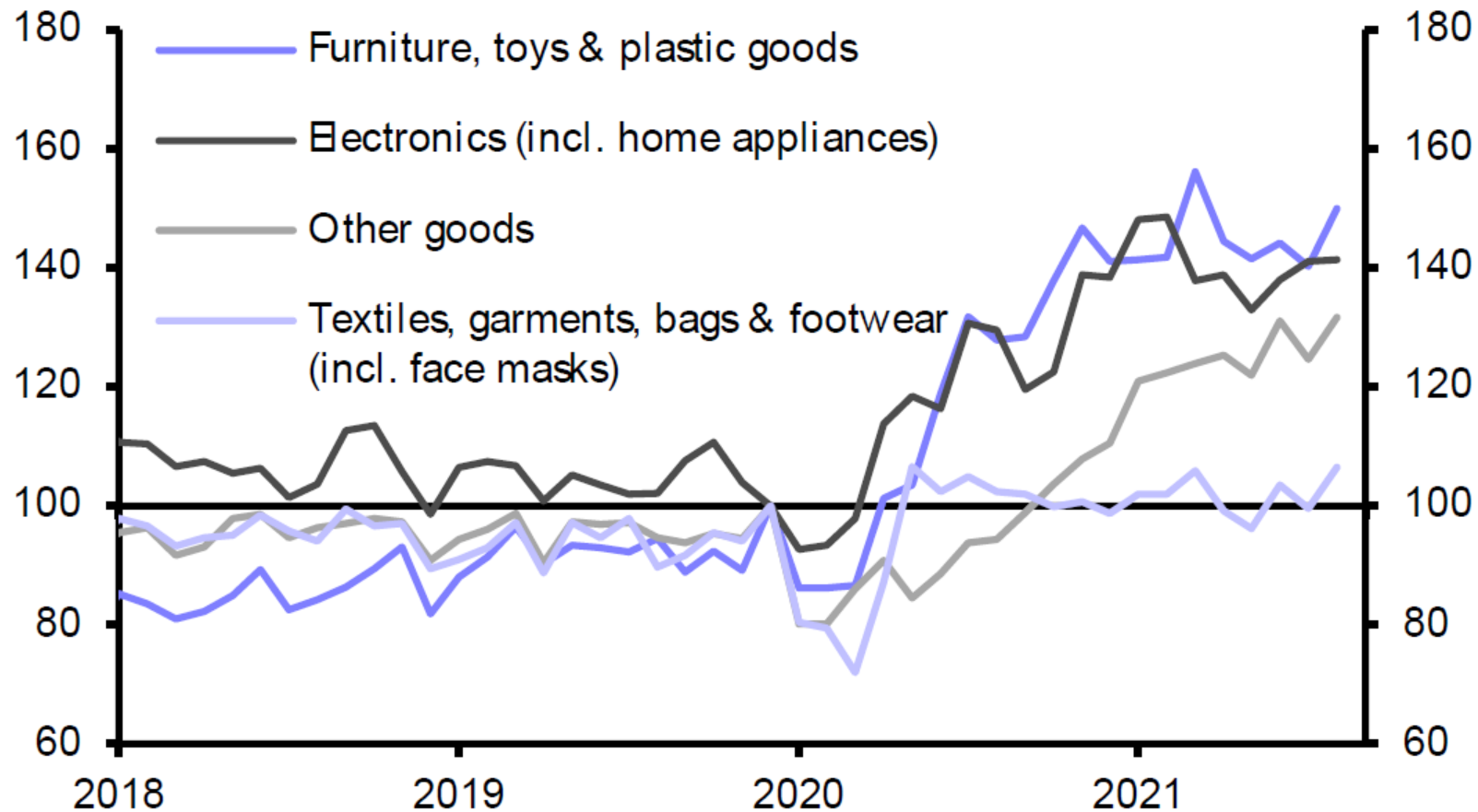


# GLOBAL GDP RECOVERED FULLY (Q42019 =100)



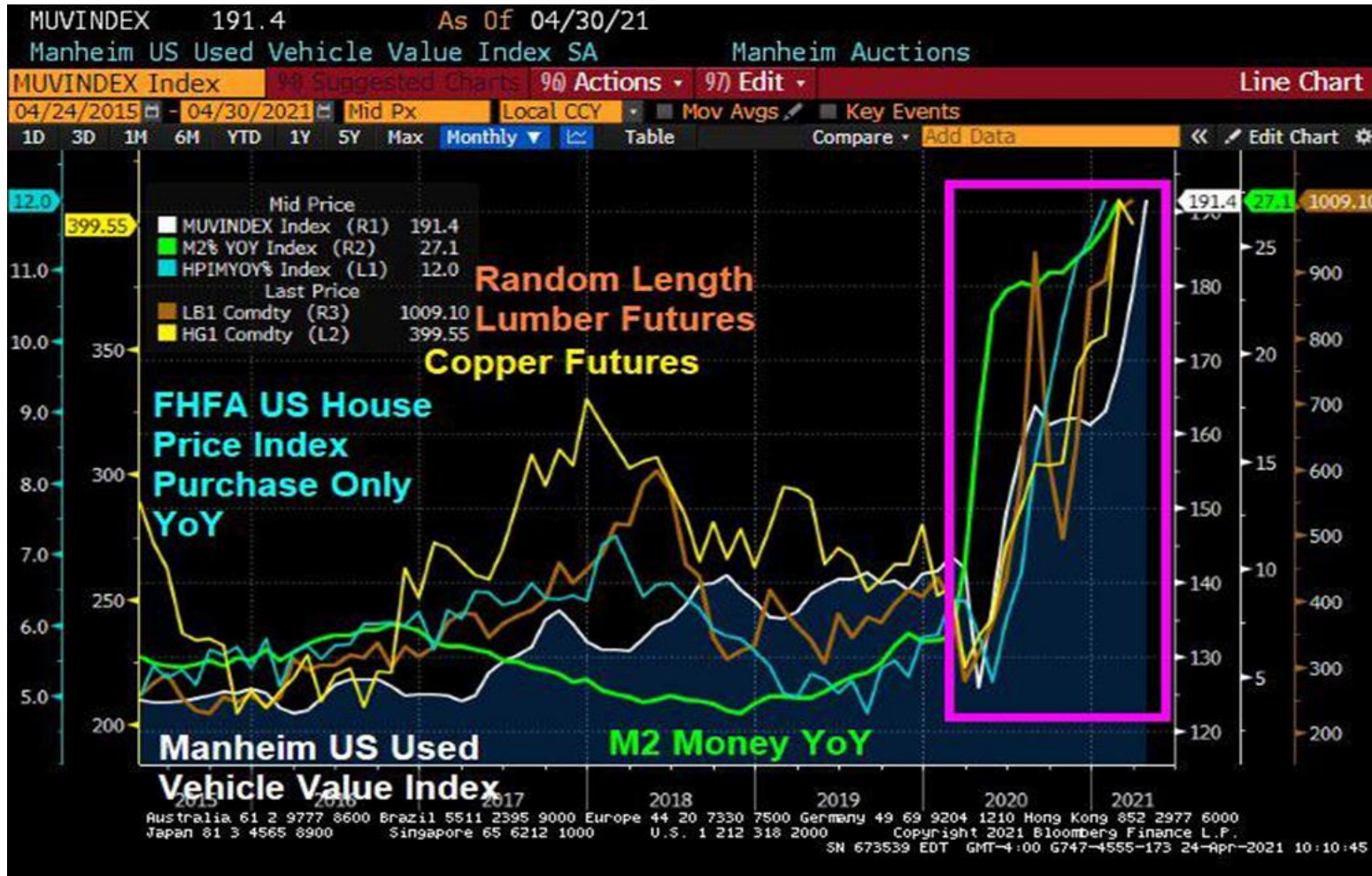


## GLOBAL RECOVERY LED BY CHINA EXPORTS





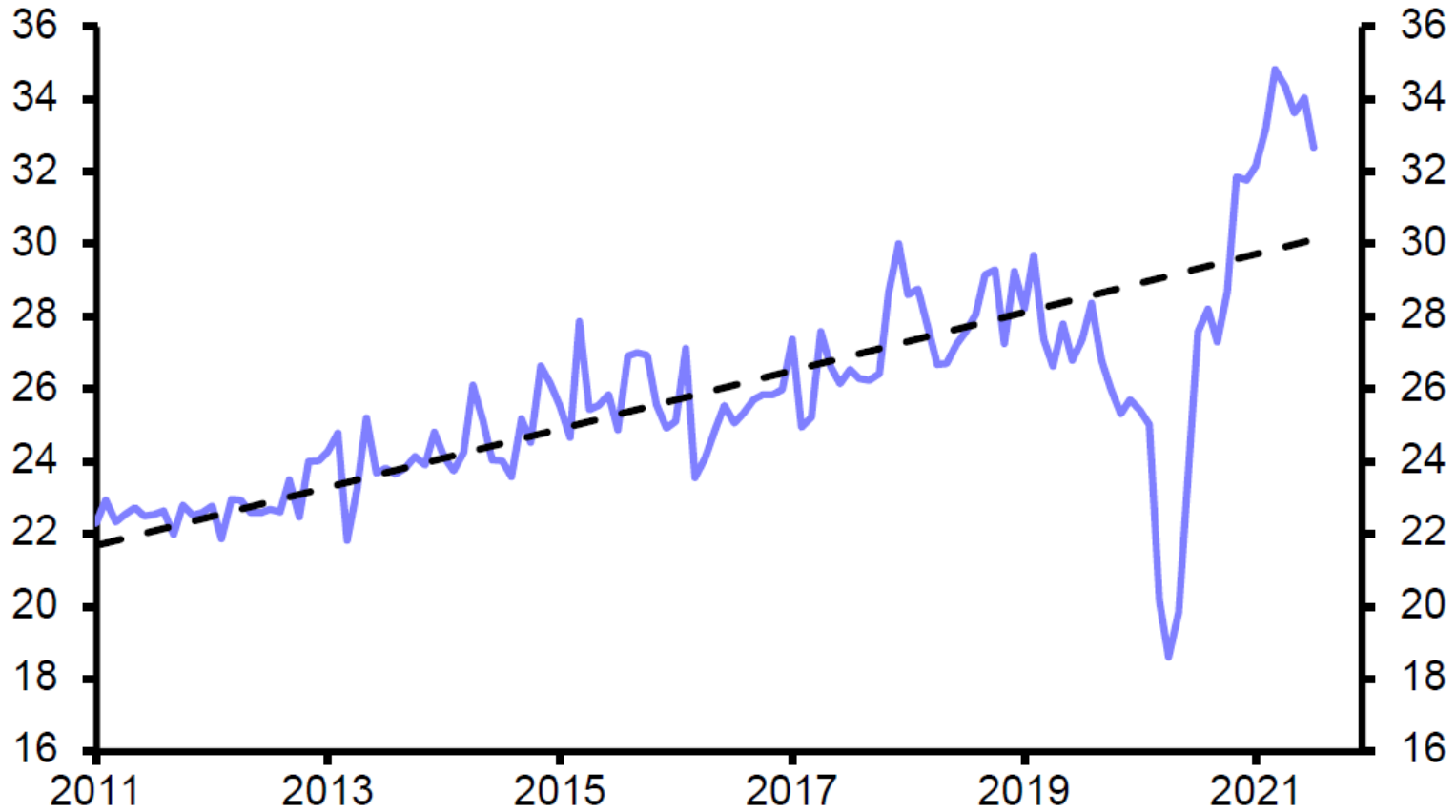
# FEDERAL RESERVE PLAYING A BIG ROLE IN PUSHING COMMODITIES PRICE UP TOO





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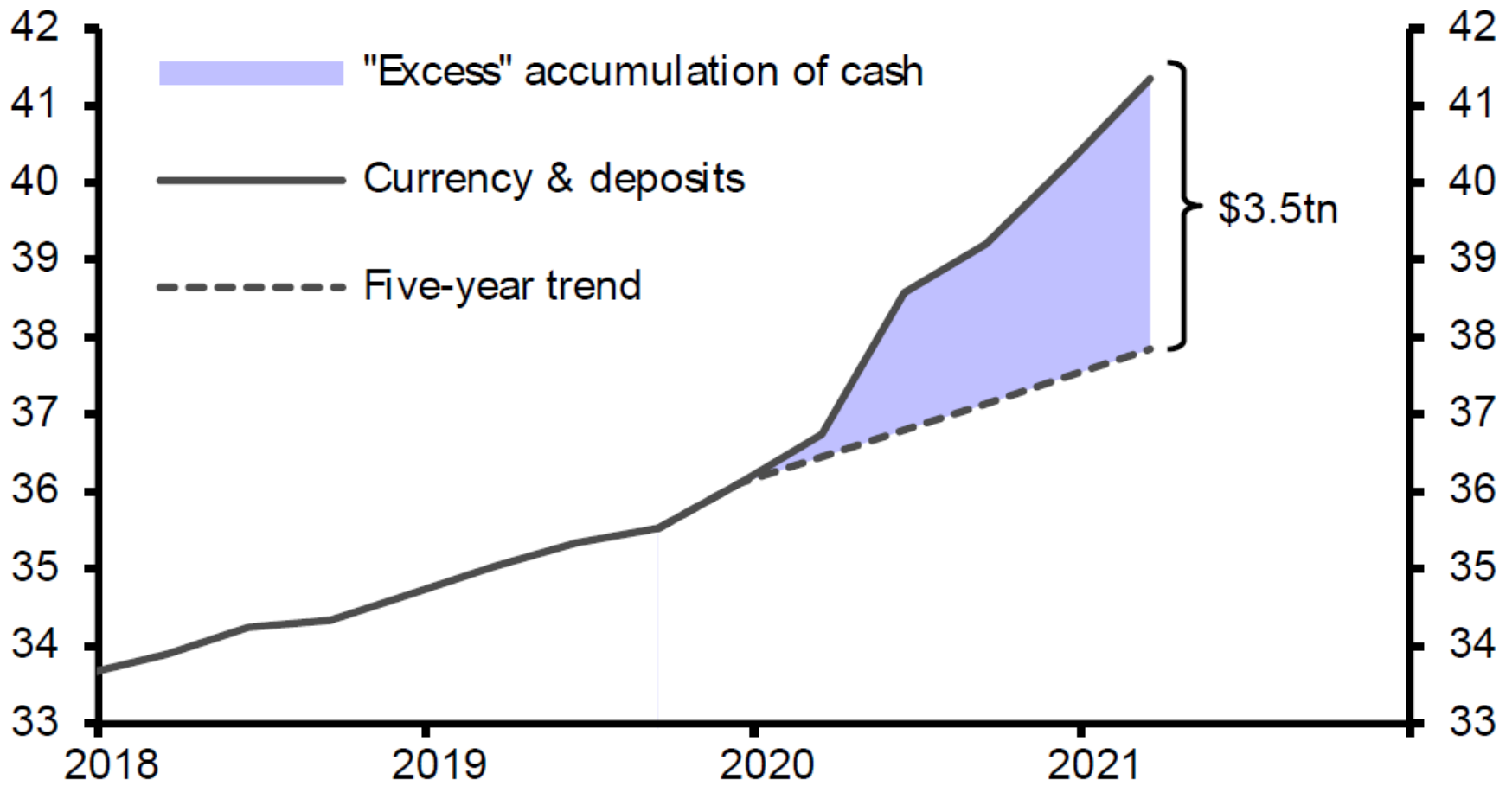
### ...AND US IMPORTS







# THIS TIME IS TOTALLY DIFFERENT





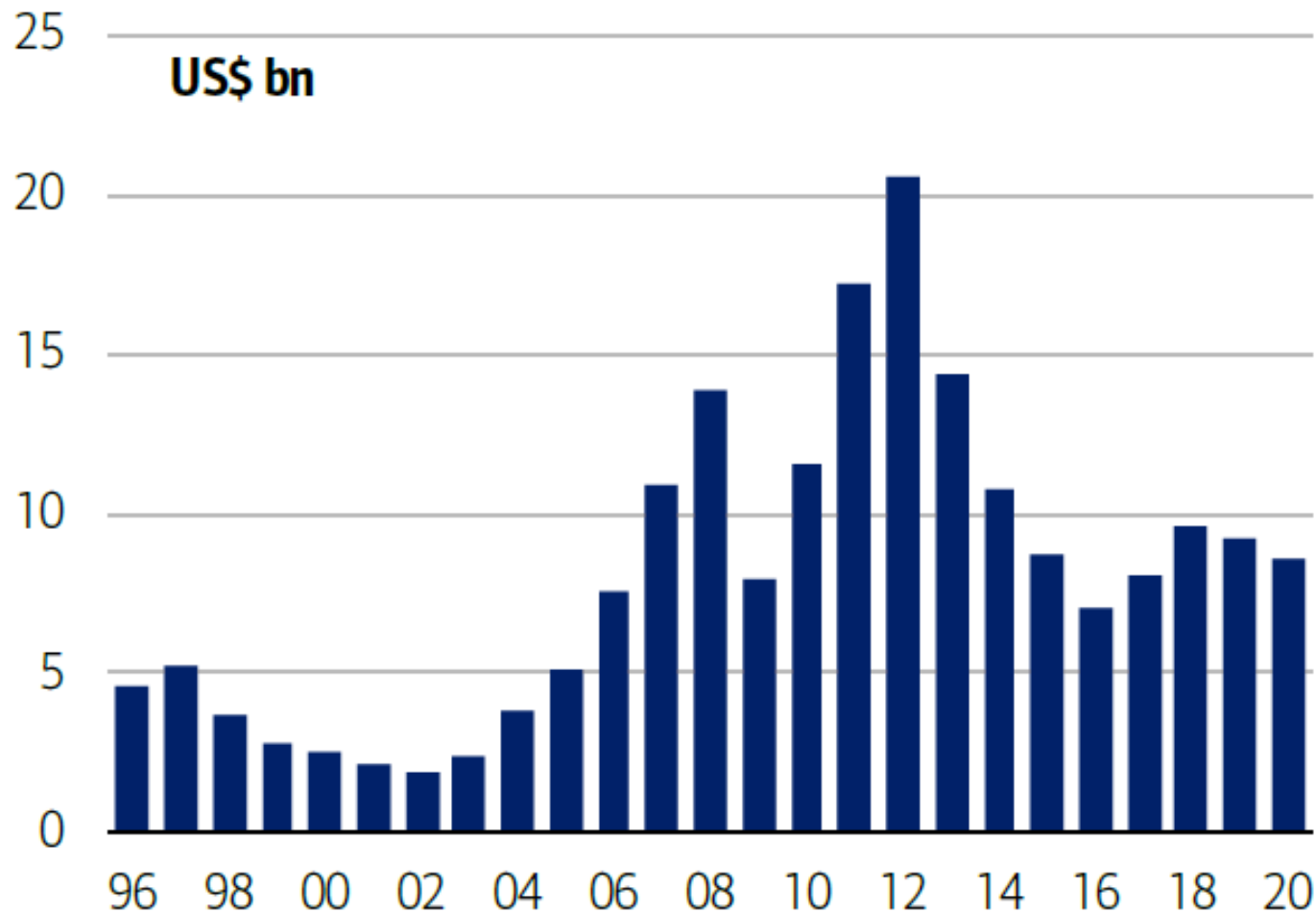


FREIGHT MARKET IN BLACK OUT. CHINA-US WEST COAST CONTAINER FEE ABOVE \$20,000 DUE TO COVID ZERO STRATEGY. CHIP SHORTAGE BITING





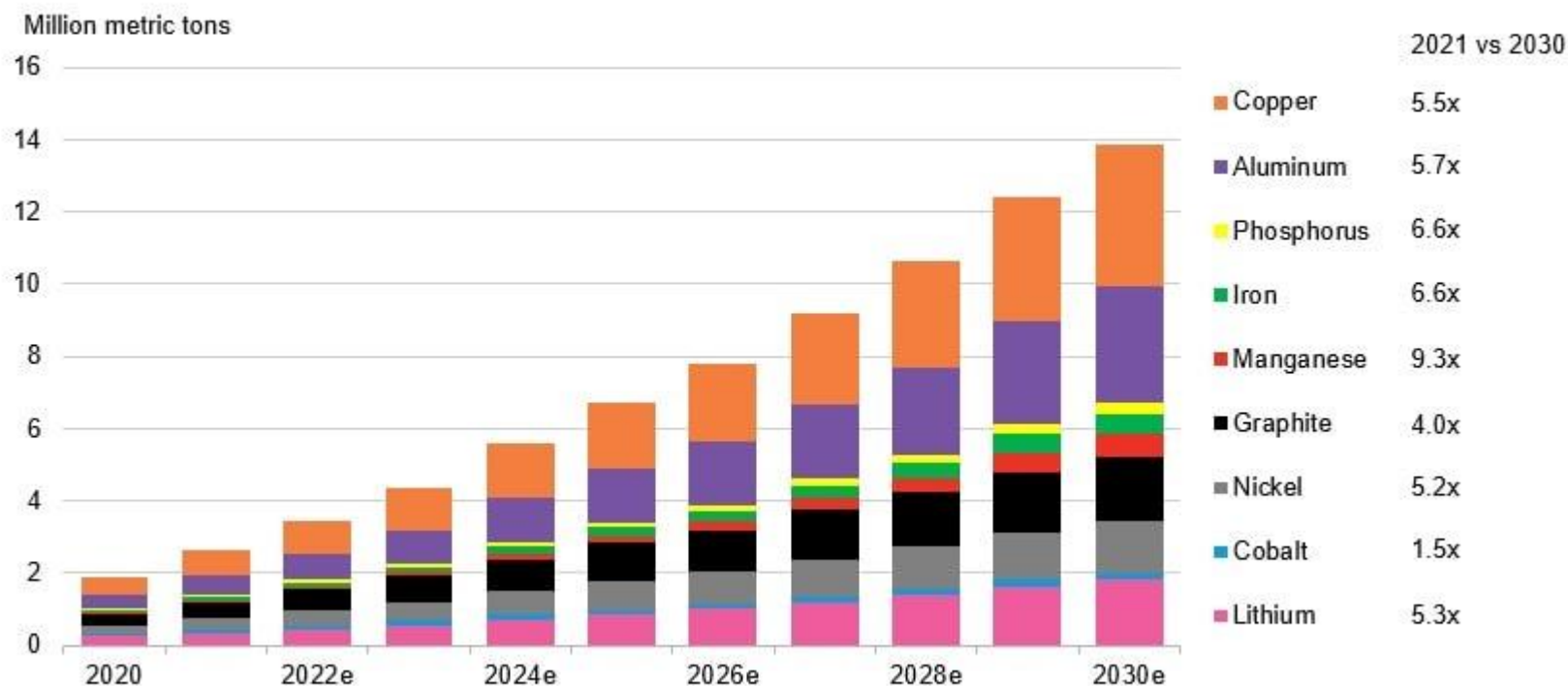
## COPPER LOW CAPEX WAS MIRRORED IN CUTS TO EXPLORATION BUDGET DUE TO CAPITAL DISCIPLINE REQUESTED BY SHAREHOLDERS





# TOTAL DEMAND FOR METALS USED TO MAKE LITHIUM-ION BATTERIES COULD GROW FIVEFOLD BETWEEN 2021 AND 2030, REACHING 13.8 MILLION METRIC TONS

## Metals demand from lithium-ion batteries



Source: BloombergNEF



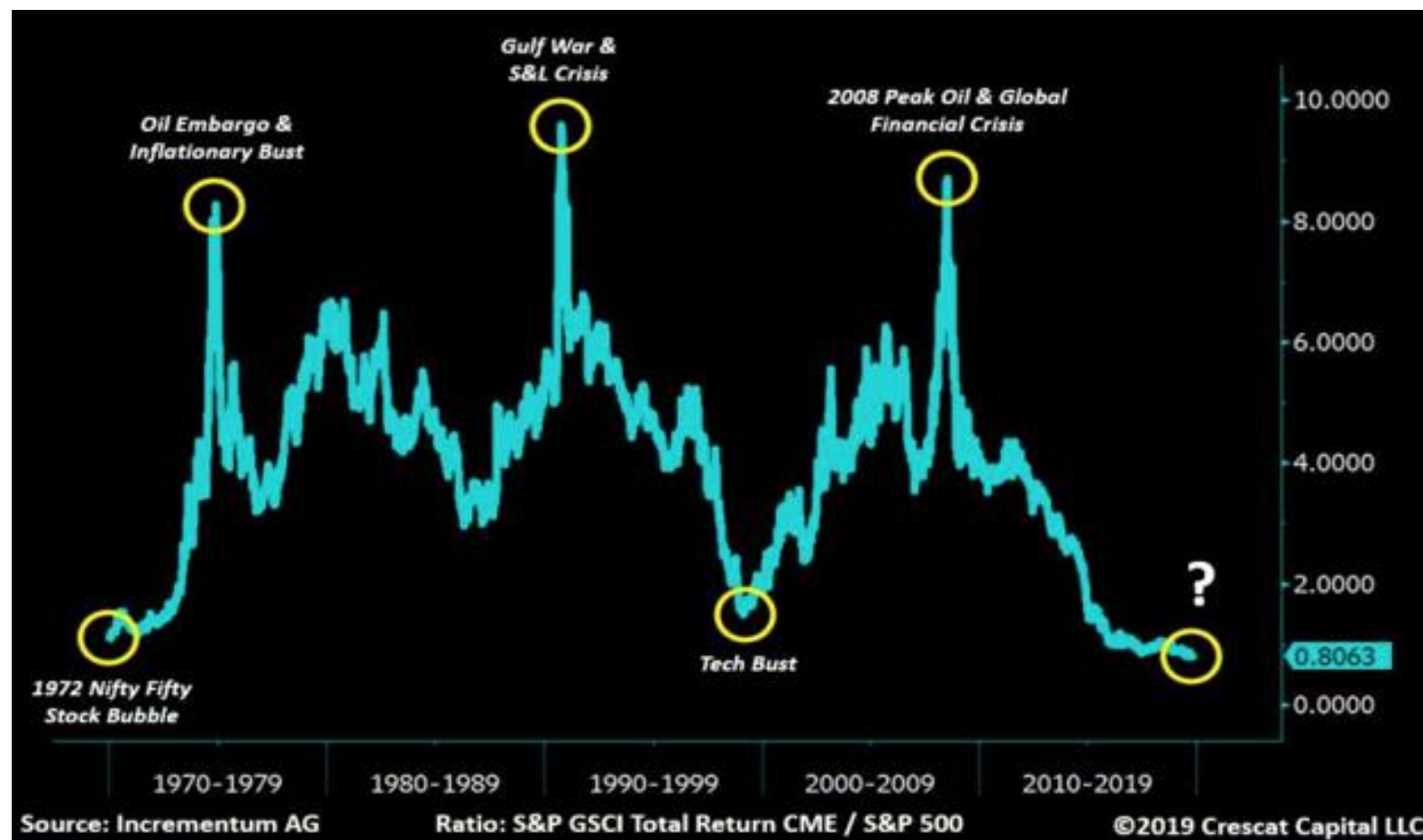
# OIL TOWARD \$100 DUE TO CLIMATE CHANGE POLICIES. ENERGY CRUNCH SUPPORTING METALS AND POLYMERS PRICE





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## LONG TERM COMMODITIES OUTLOOK REMAINS BULLISH





T-Commodity

Gianclaudio Torlizzi  
Managing Director  
T-Commodity

HEADQUARTER  
Piazza Velasca 8 - 20122 Milano  
Tel: +39. 02.87186378  
Fax: +39.02.93650745

Direct line: +39.347.6769186  
Email: [gianclaudio@t-commodity.com](mailto:gianclaudio@t-commodity.com)  
Internet: [www.t-commodity.com](http://www.t-commodity.com)  
Skype: [gianclaudio.torlizzi](https://www.skype.com/people/gianclaudio.torlizzi)  
Twitter: TCommodity